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U.K. Police Warn Of New IRA Attacks

Irish Paper Says Bomb Was 2d Try To Kill the British Prime Minister

By R.W. Apple Jr.
New York Times Service
LONDON — The bomb attack Friday on the British cabinet was the Irish Republican Army's second attempt to kill Prime Minister Margaret Thatcher, a Dublin newspaper reported Sunday.

Scotland Yard warned, meanwhile, that the explosion in the southern seaside resort of Brighton, might be only the beginning of a new offensive by the Irish guerrillas.

Commander Bill Huckleby, the head of the anti-terrorist squad, said at a news conference that police officers, judges and military leaders should be especially carefully protected from attempted assassinations in coming weeks.

The Dublin newspaper, The Sunday Press, reported that plans were first made to kill Mrs. Thatcher last year during the Conservative Party conference at Blackpool, but were abandoned at the last minute because of a snag in the planning.

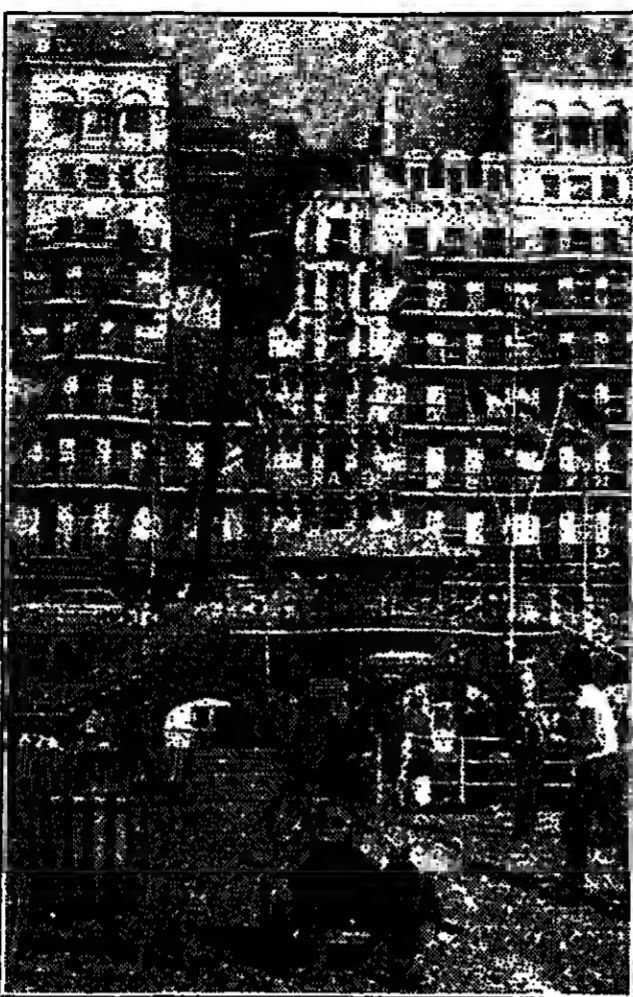
The special bomb unit formed for the attack was manned by British-born and not Irish volunteers, according to the paper's account, which gave no source.

The newspaper said members of the squad visited the Grand Hotel several times before this year's conference.

Only then did they plant the device that killed four people, including one member of Parliament and the wife of another and wounded 32 people, several of them seriously.

It was the most serious assault against the upper echelon of the British government since 1605, when Guy Fawkes attempted to blow up Parliament and King James I.

Mr. Huckleby said that investigators had convinced him that the bomb had been secreted in the paneling of the bathroom of room 628 or 629 on the seventh floor, the sixth floor in the European system of numbering. He said it probably contained a sophisticated timer like



Repair work continued Sunday on Brighton's Grand Hotel.

Mrs. Thatcher listened to the Reverend David Horner pray for the government's salvation from "violence, discord and confusion and from the work of evil men."

Police screened video film at the news conference on the bombing showing the exact moment that the bomb exploded at 2:54 A.M.

The pictures, from a time-lapse security camera trained on the first-floor suite occupied by Mrs. Thatcher, showed a searing flash and rubble crashing past her window.

Mr. Huckleby said the bomb was set to explode "at a time when most people were in bed and asleep and most likely to be killed."

A spokesman for the Provisional IRA, Danny Morrison, told The Observer Sunday newspaper that the IRA attack was intended to kill the entire British cabinet and force

Shultz Tightens Security

Action Follows 2d Bombing Of U.S. Embassy

By Philip Taubman
New York Times Service

WASHINGTON — U.S. Secretary of State George P. Shultz, hinting for the first time at some dissatisfaction with the State Department's handling of security measures, says he has moved "to tighten up the chain of command tremendously" since the U.S. Embassy in Lebanon was bombed last month.

"There is within the department a clear recognition of what the right chain of command is," Mr. Shultz said, "but we really have to emphasize it and see that decisions are made and carried out, and if somebody doesn't like it, too bad, we're going to do it."

"That'll mean you don't take as much time to touch every base under the sun, but there's got to be action," he added, saying his force plane was to be returned to Washington on Friday from a three-day trip to Central America.

The changes instituted by Mr. Shultz include an urgent program to upgrade security at embassies by installing temporary defenses while waiting for permanent protective devices to be installed, and a daily meeting on security that he said he attends when he is in Washington.

The department is also strengthening security at its headquarters in Washington, with tank-ditch barriers and steel barricades across garage ramps. Work on the security measures, part of an accelerated \$2.6-million program to upgrade defenses against terrorist attack, began last week.

While Mr. Shultz did not directly criticize protective measures at the embassy in Lebanon or the State Department's overall handling of security problems, his blunt comments were a departure.

"The moral position is irrelevant," Mr. Morrison said, "What the British government and the British people have to realize is that what they are doing leads to this type of action."

He said he presumed that the IRA now intended to attack what he called "prestige targets in Britain."

(AP, Reuters, UPI)



PARTY MEETING — Joshua Nkomo, the opposition leader, told the congress of his Zimbabwe African People's Union the government's only program was "the promotion of their own rule of the country." Page 2.

Soviets Deploy Missiles

Diplomats Say New Weapons Aimed at U.S.

By Dusko Doder
Washington Post Service

MOSCOW — The Soviet Union has announced that it has begun deploying long-range cruise missiles aboard strategic aircraft and submarines to offset "massive deployment" of air, sea and land-based cruise missiles by the United States.

Implicit in the statement issued Saturday by the Ministry of Defense was that newly developed long-range cruise missiles, which are unpiloted drones capable of carrying nuclear warheads to distant targets at very low altitudes, were targeted on the United States.

[In Helsinki on Sunday, a Politburo member said the Soviet Union was ready to negotiate with the United States on basic problems facing them. Reuters reported from the Finnish capital.]

[Grigori V. Romanov, 61, said the United States was bent on intensifying its arms race. "At the same time, the Soviet Union affirms that it is still ready to negotiate with the United States and conduct a dialogue on the basic problems of our time," Mr. Romanov said.]

In Washington, a State Department spokeswoman said "the Soviet Union has long deployed cruise missiles" and added that Washington "has proposed a global ban on all ground-launched cruise missiles."

"If the Soviets are seriously interested in limiting cruise missiles they should be willing to resume the negotiations to reduce offensive nuclear weapons," she said.

The new deployments appeared to be a part of Moscow's response to the deployment of NATO Pershing-2 and cruise missiles in Western Europe.

President Yuri V. Andropov, who died in February, said Nov. 24 that Soviet nuclear missiles would be deployed in "open areas and seas" near the United States to counter what he called an increased nuclear threat posed by the deployment of the U.S. missiles.

Moscow has already responded to the U.S. deployments by placing tactical nuclear missiles in East Germany and Czechoslovakia. These are missiles with a range of up to 600 miles (970 kilometers) capable of reaching targets in all West European nations that are receiving the new NATO missiles.

In August, Moscow announced successful tests of land-based, (Continued on Page 2, Col. 4)

Mistrust Lingers as Salvador Peace Talks Near

By Robert J. McCarmey
Washington Post Service

SAN SALVADOR — El Salvador's government and the Marxist guerrilla movement opposing it moved toward peace talks this week in an atmosphere of mistrust and doubt, mingled with hope that the negotiations might succeed.

For President José Napoleón Duarte, who has gambled on a bold peace initiative early in his five-year term, the overriding question was whether the country's power structure has changed enough to allow him to make meaningful concessions to the left, according to political, diplomatic and academic sources.

They asked whether his elected civilian government, a novelty in El Salvador, was strong enough to make peace despite opposition or at least skepticism within the armed forces, the business community and the violent far right.

"The army sees this as a publicity stunt that will go nowhere," said a military source familiar with the political views of senior Salvadoran officers.

There have been subtle changes in the armed forces' command structure and the attitude of the conservative business community toward Mr. Duarte's moderate policies, political analysts said. U.S. support for Mr. Duarte has played a critical role in encouraging the nation's conservative forces to make their peace with him at least for now, the sources said.



In the army, a group of officers with relatively moderate views have received key positions in the past year while several hard-line officers have been shipped into diplomatic exile.

On Friday, General Carlos Eugenio Vides Casanova, the minister of defense, agreed to Mr. Duarte's request for a pledge to safeguard the lives of rebel political leaders who arrive in the northern village of La Palma for the talks.

General Vides Casanova, the senior serving officer in the army, has volunteered to accompany Mr. Duarte and his ministers to the talks. The rebels have demanded that senior officers of the army accompany Mr. Duarte. On Friday, a

senior aide to the president said that he believed General Vides Casanova would attend the meeting.

But the conservative faction in the armed forces remains powerful, and analysts said it would exert great restraint on what Mr. Duarte could accomplish in the talks.

[The military uncertainties surrounding the meeting were illustrated Friday when Colonel Alfredo Ochoa Perez, the regional army commander, arrived in La Palma with a combat battalion. The Associated Press reported, the troops were withdrawn on the direct orders of Mr. Duarte.]

Death squads are also still active. One group, the Secret Anticomunist Army, on Saturday released a two-page communiqué accusing Mr. Duarte of "high treason" and warning that he and his supporters "will be targets of our military action."

For the guerrillas and the exiled leftist politicians allied with them, the dominant issue seemed to be whether Monday's planned talks could revive their fortunes by reaffirming their legitimacy.

Facing a president publicly committed to social and economic change and backed with aid from the U.S. Congress, the left has fallen on the defensive both politically and militarily this year.

The guerrillas have had only one dramatic success in 1984, the brief seizure of the Cerro Grande dam in June. Meanwhile, U.S.-supplied helicopters, ammunition and economic aid are pouring in at record levels.

As a result, Mr. Duarte stands to lose little except prestige in the near future if the peace bid fails, political analysts said. He then could blame the left for being intransigent and return to the cautious style that characterized his government between his June 1 inauguration and his surprise offer of a meeting before the United Nations on Oct. 8.

"The rebels' defensive posture was evident this week in the confusing flurry of proposals and counter-proposals over procedural issues for the talks."

Mr. Duarte imposed on the left the place, time and intermediaries. He rejected a mediation attempt by President Belisario Betancour of Colombia, issuing a statement that Mr. Betancour "was informed" that the Salvadoran Roman Catholic Church would serve as intermediary as it did in negotiations over a recent prisoner exchange.

Mr. Duarte also rejected the left's proposal that Luis Herrera Campins, the former president of Venezuela, and Willy Brandt, the former chancellor of West Germany, serve as neutral witnesses in the talks, saying that he wanted to keep the talks among Salvadorans.

The rebels were to be represented by two people each from the Farabundo Martí National Liberation Front, a coalition of five leftist armies, and its political arm, the Democratic Revolutionary Front.

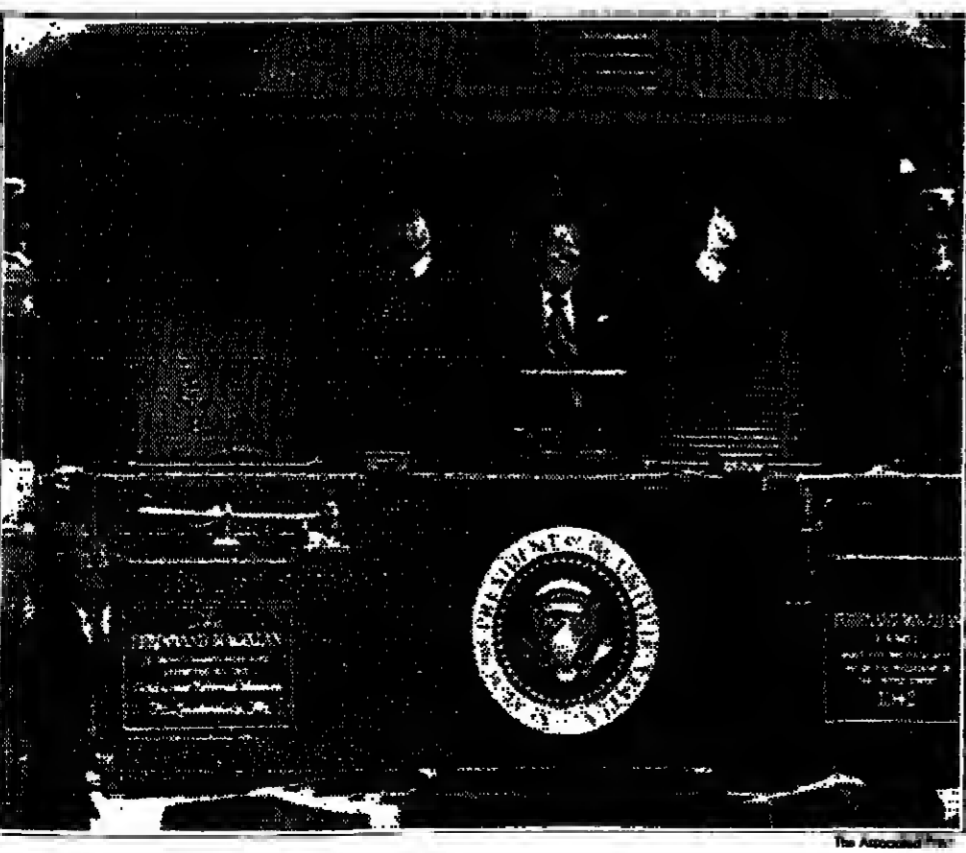


Rubén Zamora, left, and Guillermo Ungo, leaders of El Salvador's leftist Democratic Revolutionary Front, announcing their intention to attend the peace negotiations.

Guerrilla leaders have not announced who will be the two military commanders sent to the talks. But last week, the rebels' clandestine Joaquín Villalobos, commander of the People's

Revolutionary Army, and Ferman Cienfuegos, leader of one of the other four guerrilla forces in the Farabundo Martí Front.

The other two leftist representatives were to be Guillermo Ungo, (Continued on Page 2, Col. 3)



President Ronald Reagan leaves Dayton, Ohio, Friday on "The Heartland Special." Page 3.

'Week of Debates' Helped Democrats Final Contest Is Shaping Up as Campaign's Crucial Event

By David S. Broder
Washington Post Service

WASHINGTON — The Week of the Debates has shaken Republicans' euphoria about the prospects of a runaway election victory, but has not seriously damaged President Ronald Reagan's advantage over Walter F. Mondale in measurable political strength.

The debates last week did, however, create a psychological climate in both the media and public opinion that sets up Sunday's second Reagan-Mondale debate as the crucial event in the campaign.

Strategists in both parties said that after six weeks of breezing through his re-election campaign with a minimum of pressure, Mr. Reagan now faces greater scrutiny and tougher standards than anyone else on the national tickets.

Vice President George Bush and his opponent, Representative Geraldine A. Ferraro of New York, each scored enough debating points Thursday night to convince their backers that their own contender had won. Mr. Mondale de-

lighted his supporters and surprised many skeptics by dominating Mr. Reagan in their domestic policy debate Oct. 7 in Louisville, Kentucky.

Only the president still needs to prove his mettle in the forum of a nationally televised debate, which has been an important factor in every campaign in which debates have taken place.

Polls by both parties showed that the gains Mr. Mondale had achieved in the first 72 hours after the first debate had begun to level off by the weekend, with Mr. Reagan still well out in front. The improvement appeared largely due to Mr. Mondale's gaining support of undecided Democrats who had been bothered by his personal qualities.

Republican strategists are prepared for the next round of public opinion polls, due this week, to show Mr. Mondale's share of the vote climbing to around 45 percent.

Most recent national polls have shown the Democratic challenger as the choice of less than 40 percent of the electorate.

Richard Wirthlin, the chief Reagan pollster, noted that differences in political philosophy and program still seem to go in the Republicans' favor.

But Republicans acknowledge privately that the Louisville debate did introduce a new issue — the question of Mr. Reagan's age, 73, and competence — which will surely grow in importance if Mr. Reagan does not eliminate it by a stronger performance in Sunday's debate on foreign policy.

"Louisville erased a lot of question marks behind Mondale's name," said his chief pollster, Peter D. Hart, "and put a big one behind Reagan's. That has to be helpful to us."

One Republican consultant, John Deardorff, said that "there will be a tremendous amount of pressure" on Mr. Reagan next Sunday to "demonstrate that he is up to the task of the job."

INSIDE

President Marcos says the International Monetary Fund has accepted a Philippines austerity program. Page 2.

Social Security aides have studied "private alternatives" and other proposals, but plan no changes. Page 3.

The Angolan leader says he will work with the United States for a regional settlement in southern Africa. Page 5.

Pope John Paul II denounced "neocolonialism" in Latin America as he ended his Caribbean trip. Page 6.

U.S. spending for plant and equipment will continue to expand, an executive's group has predicted. Page 9.

Center in Malta Is Bombed

VALLETTA, Malta — A bomb caused considerable damage Saturday at the government's computer center in the city of Dingtli, the state-run radio reported. The computer center, opened three years ago, runs services for 19 government departments.

The series of breakdowns and (Continued on Page 2, Col. 1)

Marcos Says Austerity Plan Gains IMF Approval, New Credits Expected

By Steve Lohr

MANILA — President Ferdinand E. Marcos says that after nearly a year of difficult negotiations, the Philippines' program of economic austerity had been accepted by the International Monetary Fund.

The president said Saturday in a televised address that the program opens the way to eventual economic recovery in exchange for national debt-tightening now.

Mr. Marcos termed the IMF's approval "a development of momentous significance to our nation's economic recovery."

He added, "There is no question that our economic recovery program includes measures that entail sacrifices for everyone."

[Mr. Marcos said Sunday that he is confident foreign banks will "help out" and approve his government's request for \$1.65 billion in new credits. The Associated Press reported.]

[He said the lifting of foreign exchange controls, which he announced Saturday as part of the recovery action, "means that everybody can go in and out of banks now and buy whatever they need for raw materials, machinery and other vital imports."]

In Washington, a spokesman for the International Monetary Fund said he could not confirm the agreement with the Philippines.

An international banking specialist said the letter of intent presented by the Marcos government was satisfactory to the IMF's board of directors. This does not imply full approval, the source said, but it does mean that the largest problems have been resolved.

For most Filipinos, the economic package will mean higher prices and reduced purchasing power in the near future. But since Jacques de Larosiere, the managing director of the International Monetary Fund, signed the letter of intent in Washington last Thursday, the

Philippines will be eligible for loans to shore up its depressed economy.

Specifically, the Philippines will receive a \$650-million standby credit from the International Monetary Fund. This will provide funds to replenish the nation's depleted financial reserves and pave the way for restored lending from the 483 commercial banks that have loaned the Philippines \$25.6 billion.

The most politically sensitive steps in the package are higher taxes on petroleum products and an end to controls on most foreign exchange transactions. Economists predict that the value of the peso will decline.

The new tax on oil products will result in higher prices for most consumer goods and services. Private economists say that the austerity package could lift inflation from the present 60 percent annual rate to 70 percent for a month or so. Inflation is expected to decline as the austerity measures take effect.



Grigori V. Romanov, right, of the Soviet Politburo, is met in Helsinki by Paavo Vayrynen, Finland's foreign minister.

Envoys Say Ogarkov May Still Hold a Ranking Post

New York Times Service

MOSCOW — Marshal Nikolai V. Ogarkov, who was removed as chief of the Soviet general staff, has reappeared in East Germany, and Western diplomats believe he is still holding a ranking position in the Soviet military.

Marshal Ogarkov was reported by the East German press to be heading a Soviet delegation and was shown Friday on East German television being embraced by Erich Honecker, the East German leader. The trip has not been reported by the Soviet press, but there has been speculation that Marshal Ogarkov would be placed in charge of coordinating Soviet troops stationed in Eastern Europe.

Western military attaches said they were surprised by Marshal Ogarkov's reappearance as they were by the announcement Sept. 6 that he had been removed as chief of staff, the top military post in the Soviet armed forces. He was replaced by his deputy, Marshal Sergei F. Akhromeyev.

There has been no official word on the reasons for Marshal Ogarkov's removal. A highly placed Soviet source told U.S. officials in Washington that he was demoted for "unpartylike" tendencies. There was speculation that he had resisted policy decisions in the military field.

Western diplomats said the meeting with Mr. Honecker, even though published only by the East Germans, suggested that Marshal Ogarkov had not fallen into total disfavor in the Kremlin.

The East German press agency said the two men had discussed "questions of further strengthening the cooperation and deepening the brotherhood in arms" between their countries' two armed forces.

It said the meeting had been attended by General Mikhail M. Zaitsev, commander of Soviet forces in East Germany, and by General Heinz Hoffmann, the East German defense minister.

The diplomats said the meeting could be consistent with one unconfirmed report that Marshal Ogarkov had been named to head a western theater of operations. However, one diplomat said such a post is generally filled only in time of national emergency.

U.S. Shuttle Returns to Launch Site

(Continued from Page 1)

repairs began on the first day of the mission when Dr. Sally K. Ride, 33, used the spacecraft's long robotic arm to shake loose the balky solar panels on a \$40-million satellite and place it gently in orbit. The mission of the satellite is to help scientists make better seasonal and yearly weather forecasts.

The next problem the crew encountered came when the communications antenna on the shuttle began to wobble. A plan was worked out to switch off its steering motor and turn the spacecraft to point the antenna toward a distant relay satellite, which sent valuable radar data back to the earth. Work on the problem was interrupted for a day when the satellite itself failed.

Then the radar panel refused to stow properly. The unfolded panel, 35-feet (10.6-meters) long and 7-feet wide, was one inch (2.5 centimeters) short of its latch. The problem was solved when Dr. Ride, who last year became the first American woman in space, again utilized the Canadian-built mechanical arm, this time to reach out and compress the panel in the cargo bay, allowing the latch to snap shut.

According to Dr. Charles Elachi of the Jet Propulsion Laboratory in California, who headed the radar experiment, only nine out of what had been expected to be 42 hours of radar data had been gathered by the end of the mission. This total was somewhat better than it sounded, he said, because the data were taken in a more concentrated form than planned.

Other scientific goals of the mission were generally more successful than the radar, according to Dr. Mark Settle, a program manager for the space agency. About 2,300 photographs were taken by a mapping camera in the cargo bay that made unusually large, 9-by-16-inch negatives, he said.

Other sensors measured air pollution in the earth's atmosphere and took data to help scientists develop ways to identify automatically what kinds of earth features cameras look at from space. In the future, a "smart" device on board a satellite might use this capability to preselect data, for instance, only when a space camera was pointed at crops rather than clouds.

One of the highlights of the mis-



Robert L. Crippen

sion came Thursday in the space walk when the two astronauts, practicing ways to refuel satellites in orbit, paused to laugh, joke and snap pictures.

The two astronauts made the complex refueling job look easy, paving the way for the routine servicing of satellites now left derelict when they run out of fuel.

In April, astronauts repaired an errant satellite in orbit. Thursday's test was a dress rehearsal for an addition to the repertoire, which eventually is to include not only repair and refueling but also the transport of disabled satellites back to Earth.

This mission was the first in which satellite fuel was transferred in space and the first in which two women were on board. It was Captain Crippen's fourth shuttle flight, a record.

It was the first space flight for a Canadian, Dr. Marc Garneau, 35, of the Canadian Navy.

Also on board were Commander Jon A. McBride 41, of the U.S. Navy, the shuttle's pilot, and Dr. Paul D. Scully-Power, 40, an Australian-born scientist with the U.S. Navy who conducted the first observations of the sea surface by a professional oceanographer.

Friday's return of the Challenger to the Kennedy Space Center saves about five days in preparation for future flights.

Doubts Mark El Salvador As Talks Near

(Continued from Page 1)

and Ruben Zamora, who are exiled politicians. They found bargaining over arrangements particularly difficult because they apparently had no way to get to El Salvador except flying to San Salvador early Monday and accepting Mr. Duarte's guarantee of safe passage to La Palma.

Many analysts said that because many guerrilla leaders appeared to be firmly committed to revolutionary Marxism, they doubted that Mr. Duarte would be able to persuade the left to give up its battle and participate in elections. Some said they expected no more from Monday's meeting than the establishment of committees for further talks.

Mr. Duarte is not considered likely to go much beyond past offers to the rebels, such as guaranteeing the security of leftist candidates if they run in elections.

The skeptical view was that the peace bid's principal political effect could be to drive a wedge between guerrillas willing to compromise with the government and those determined to fight on. This has been the aim of U.S. policy regarding peace talks.

For the church, farm and labor unions enthusiastically endorsed Mr. Duarte's bid last week's opponents said his gesture might generate a momentum of its own and spawn a peace movement. That could encourage both sides to negotiate seriously, but it could also provoke renewed repression from the far right.

Thousands of Salvadorans were expected to crowd into La Palma on Monday after both Mr. Duarte and Radio Venceremos called on the people to attend the talks.

Italian Police Seize 85 In Drive Against Mafia

The Associated Press

MESSINA, Sicily — Police arrested 85 suspected Mafia members in Sicily and parts of Calabria over the weekend, and recovered stolen cars and illegal arms and ammunition, authorities said.

The crackdown on the Mafia that began earlier this month was set off by the confession of Tommaso Buscetta, an imprisoned mobster.

Soviet Deploys New Missiles To Offset NATO Pershing-2s

(Continued from Page 1)

long-range cruise missiles. That statement was seen primarily as having propaganda impact, since land-based drones have a range of between 1,000 and 1,500 miles and could not reach U.S. territory.

Last week, Defense Secretary Caspar W. Weinberger said at a meeting of the North Atlantic Treaty Organization in Italy that the Soviet Union has added "substantial numbers" of SS-20 medium-range nuclear missiles to its force since the NATO deployment began and Moscow walked out of arms-reduction talks in Geneva in November 1983.

Saturday night's announcement omitted mention of land-based cruise missile deployments. It said that the deployments were carried out on "strategic bombers and submarines." Observers said such weapons were primarily aimed at the continental United States.

The Defense Ministry statement, distributed by the official press

agency Tass, said the United States "attached special significance" to the deployment of its long-range cruise missiles "of all basing modes" in what it said was Washington's effort "to achieve military superiority over the Soviet Union."

The statement said the Soviet Union had warned more than once that it "will not allow the existing equilibrium to be upset" and that it would adopt "adequate counter-measures."

Call for Talks

Mr. Romanov said in Helsinki that the two superpowers should aim for agreements "corresponding strictly to the principles of equality and common security and taking into account the interests of all countries," Reuters reported.

Although Mr. Romanov did not spell out the areas for possible agreement with Washington, he said the Soviet Union considered it an urgent task to prevent the militarization of outer space.

Nkomo's Party Debates Its Platform

Reuters

HARARE, Zimbabwe — The opposition Zimbabwe African People's Union debated policies Sunday on which it will fight critical elections early next year.

The party was also to vote for a new central committee, certain to be headed by Joshua Nkomo, the veteran nationalist.

About 6,000 delegates to the party's first national congress since Zimbabwe's independence in 1980 met at a Harare sports center for the last day of substantive business.

Mr. Nkomo, 67, party president since it was founded in 1961, delivered a three-hour address Saturday in which he sharply attacked Prime Minister Robert Mugabe's running of the country since independence.

Mr. Mugabe heads the Zimbabwe African National Union-Patriotic Front.

"In less than five years, the promise of independence has turned into a reality of suspicion, terror and failure," Mr. Nkomo said.

"We believe that the ZANU-PF leadership today is concerned with only one matter, maintaining themselves in power," he said. "It is this obsession which is causing this government to lead Zimbabwe into one tragic crisis after another."

If Mr. Mugabe's party is not stopped, he said, it would "destroy all the achievements of our long and costly struggle."

Mr. Nkomo said government economic policies were "a recipe for disaster" that had scared away foreign investment and thwarted development.

"Socialism must be based on

raising the cultural and material life of the broad masses and not on the equality of poverty," he added.

Turning to security issues, Mr. Nkomo accused the government of being behind armed rebels active in the Matabeleland province that has been his power base during the past two years. Mr. Mugabe has often accused the Nkomo party of supporting the insurgents, who have killed more than 200 civilians, an allegation Mr. Nkomo denied again Sunday.

Western diplomats said the unusually strong speech appeared to be a major effort by Mr. Nkomo, who before independence was a guerrilla ally of Mr. Mugabe's, to re-establish himself as a national

leader after two years of political eclipse.

Resolutions that will form the party campaign were put to the meeting, and balloting for the central committee, trimmed by the congress to 100 members from 150, was scheduled for later.

Mr. Nkomo was re-nominated unopposed for the post as head of the committee. Results of the balloting and the votes on resolutions were to be announced Sunday night.

The Western diplomats said the Nkomo party needed to mold a dynamic platform to ensure a good showing in the 1985 elections, due in February or March.

Shultz Tightens Security At Embassies After Bomb

(Continued from Page 1)

In April 1983, the U.S. Embassy, then in West Beirut, was blown up in a similar attack, and last October the U.S. Marine barracks in Beirut was destroyed by a truck bomb, killing 241 U.S. servicemen.

Mr. Shultz, who before becoming secretary of state in 1982 was president of Bechtel Group, the privately owned construction and engineering company, complained that government bureaucracies tend to procrastinate over issues that need immediate action.

"I learned in business that you had to be very careful when you told somebody that's working for you to do something, because the chances were very high he'd do it," he said.

Mr. Shultz said that in government he had found that "you didn't have to worry about it," because if subordinates opposed an idea they would stall it by having it reviewed again.

In some cases, he said, the differences between business and government are "legitimate and proper." But he added: "I think there are areas where we just have to have a kind of chain-of-command approach to things, where we say, 'This is the answer. Do it, and don't argue about it.' Certainly by this time we all must see that the security issue is one of those areas."

Dozens of officials and more than 20 State Department offices were involved in the planning and construction of security measures at the embassy in Beirut.

WORLD BRIEFS

Ford, Auto Union Agree on Contract

DEARBORN, Michigan (UPI) — Ford Motor Co. and the United Auto Workers reached tentative agreement Sunday on a "pattern" contract giving 114,000 workers wage and job security provisions similar to those in a new UAW-General Motors Corp. agreement.

Ford's contract was extended last month when the union chose GM as its strike target. The union did not invoke its right to strike on 72 hours notice, nor did it call local walkouts, a tactic used at GM when the two failed to reach agreement by their Sept. 14 deadline.

Voting on an earlier contract with General Motors Corp. continued Sunday night, with the latest informal tally showing the contract winning approval from about 59 percent of those voting.

Soviet Consul Named in U.S. Spy Case

LOS ANGELES (LAT) — The vice consul of the Soviet Consulate in San Francisco, Alexander Grishin, was named as an unindicted conspirator as a former FBI agent, Richard W. Miller, and two Russian émigrés were indicted Friday by a federal grand jury in Los Angeles on espionage charges. Mr. Miller was arrested Oct. 6 for allegedly trying to sell secret FBI documents to the Soviet Union.

Charged with Mr. Miller were Svetlana Ogorodnikova, 34, and her husband, Nikolai Ogorodnikov, 51, two members of the Russian émigré community in Los Angeles. The 13 charges range from conspiracy to commit espionage to offering a bribe and agreeing to receive a bribe. The three defendants face possible life prison sentences if convicted.

As a diplomat, Mr. Grishin is immune to prosecution. U.S. Attorney Robert C. Bonner said Mr. Grishin had telephone conversations with Mrs. Ogorodnikova about a planned trip by her and Mr. Miller to Eastern Europe, where Mr. Miller was to give FBI documents to Soviet agents. Mr. Grishin told United Press International that he was shocked at the charge against him. He added that he did not conspire with Mr. Miller and did not even know the Ogorodnikovs.

Greece Said to Halt Arms Shipment

ATHENS (AP) — A French cargo plane has been found to be illegally carrying a shipment of weapons intended for Oman. Transportation Ministry sources said, adding that the crew members may be charged with illegal weapons transport. They said that Greece may impose the plane and give the weapons to the army.

The sources said Saturday that customs officials had found 252 crates containing 7,550 Beretta pistols and spare parts for automatic weapons aboard the DC-8, operated by a private French air freight company. The DC-8 arrived at Athens airport Friday evening from Rome, the sources said.

They said the pilot had first said the arms were bound for Botswana, but then said during questioning that their destination was Oman. The sources said the pilot's papers on the consignment did not name the shipper or the recipient of the weapons. Permits required to fly arms through Greek airspace also were missing, the sources said.

Press Pool Not Set, Weinberger Says

CAIRO (LAT) — Defense Secretary Caspar W. Weinberger said that despite previous reports, no decisions have been made regarding the makeup of Pentagon press pools that would be formed to cover certain military operations. He criticized reports that such a pool would exclude newspaper reporters.

Mr. Weinberger, speaking to reporters aboard his air force plane as he flew here from Tunisia, described such reports as "a whole lot of absolute nonsense." The defense secretary, who is to hold talks with Egyptian officials, said such pools would include representatives of all types of news media.

No Progress Seen in U.K. Coal Talks

LONDON (Reuters) — Settlement of Britain's seven-month coal strike still seemed distant Sunday after three days of talks on ending the dispute.

Virtually no sign of compromise had emerged from either side on resolving fundamental differences although hopes were raised on Friday that the two sides might accept third-party mediation. Talks adjourned for two days on Saturday when the National Coal Board chairman, Ian MacGregor, said he had "no ground to give" in the deadlock over his plans to close 20 unprofitable pits with the loss of 20,000 jobs.

Arthur Scargill, leader of the striking National Union of Mineworkers, stood firm on his insistence that no mine should be shut down while coal stocks remained. The talks were held at the offices of the Advisory, Conciliation and Arbitration Service, an independent body that has devised a peace formula that would link some third party to approving pit closures.

Egypt Seeks U.S. Missiles for Jordan

CAIRO (AP) — Egypt on Sunday asked the United States to sell Jordan the air defense weapons whose sale was canceled this year because of opposition by Israel and members of the U.S. Congress, Egyptian sources said.

The sources said the request was made during meetings Sunday between Defense Secretary Caspar W. Weinberger of the United States and President Hosni Mubarak of Egypt.

The sources, who asked not to be identified, said Mr. Weinberger refused to commit the Reagan administration to supporting the sale of Stinger ground-to-air missiles. Egypt said the sale should be made as an incentive to bring Jordan's King Hussein into the peace process with Israel.

For the Record

President Ronald Reagan on Saturday signed legislation requiring U.S. cigarette packages and advertising to carry four stern new warnings about the health hazards of smoking. The warnings are to change quarterly and will begin appearing next year. (AP)

Peres Says U.S. Aid to Israel Beneficial to Both Countries

(Continued from Page 1)

of Lebanon, that have been opposed by Washington.

"The problem is, are you ready to invest in the American posture in the Middle East?" he replied. "Because most of the money does not go for consumption. It goes for the maintenance of a strong, vital democracy."

"The Israelis are not having for breakfast their planes or their tanks or their ships," Mr. Peres said. "You can say that this is an investment in the posture of the free world and the posture of the United States and also of Israel in an unstable area. Imagine the Middle East without Israel."

He argued that Israel's defeat of Egypt in the 1973 Yom Kippur War had caused an Egyptian shift in alliance from the Soviet Union to the United States and that driving the Palestine Liberation Organization from southern Lebanon had destroyed a base for international terrorism.

"Is that against the prestige, the interest, the need of the United States?" he asked.

"Would you like us to be a sort of Czechoslovakia or Poland, a satellite?" he continued. "Or shouldn't you be satisfied with the fact that we believe in the same values, have the same interests, that we are not a satellite, and you shouldn't try to make us one."

Mr. Peres turned aside questions

about whether his government would accept President Reagan's 1985 Middle East peace initiative, which calls for Israel to negotiate with Jordan on the future of the Israeli-occupied West Bank.

He noted that King Hussein of Jordan continues to rule out negotiations and said, "The problem is the lack of a negotiable partner."

He also said that he theoretically might be willing to negotiate with Yasser Arafat, chairman of the PLO, if Mr. Arafat were to demand for the destruction of Israel and the creation of an independent Palestinian state.

But when pressed on this point, Mr. Peres replied: "You want realistic answer. The 'if' does not exist. I do not expect him to change."

Mr. Peres reiterated his offer made earlier last week to withdraw Israeli troops confronting Syrian forces in the Bekaa Valley region of southern Lebanon if Syria agreed to bring United Nations forces into the area.

But he added, "We told the Americans, if Syria is not willing to clarify [its agreement] in an unequivocal way, we are going to maintain there."

He also emphasized that a Israeli withdrawal from southern Lebanon must depend on a coordinated role in policing the area for Israeli-supported South Lebanon Army.



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BRIEFS

Agree on Contract
Ford Motor Co. and the United Auto Workers agreed on a "tentative" contract on Sunday, ending a 14-day strike.

Med in U.S. Spy Case
The Soviet Consulate in New York City has been ordered to release a Soviet spy who was arrested in the U.S. in 1979.

alt Arms Shipment
The U.S. State Department has approved a shipment of arms to the Lebanese army.

et. Weinberger Says
The U.S. State Department has approved a shipment of arms to the Lebanese army.

n in U.K. Coal Talks
The U.S. State Department has approved a shipment of arms to the Lebanese army.

Missiles for Jordan
The U.S. State Department has approved a shipment of arms to the Lebanese army.

S. Aid to Israel
The U.S. State Department has approved a shipment of arms to the Lebanese army.

Both Countries
The U.S. State Department has approved a shipment of arms to the Lebanese army.

AMERICAN TOPICS

Universities Harvest Bumper Student Crop

Last winter American colleges, especially the selective private institutions, began reporting bumper crops of applications, and there was speculation that high school seniors were applying to several schools in the hope that at least one would accept them.

It is now apparent that there were real students behind those application forms. "The ghost of the ghost," said Herbert F. Dalton Jr., associate director of admissions at Middlebury College in Vermont, where the freshman class is 525, although only 475 had been expected.

Swarthmore College awaited 360 and enrolled 410. The University of Pennsylvania, expecting 2,100 new students, got 2,200.

Groping for the reason why, since the number of 18-year-olds has been dropping since 1979, educators have cited better economic conditions, the growing availability of financial aid for students, and more aggressive marketing.

No More Kicks On Route 66

Route 66, the old highway across the western United States celebrated in song and story, is no more. A ribbon-cutting ceremony in Arizona Saturday opened the final six-mile leg of Interstate 40, the superhighway that replaced much of U.S. 66. Stretch by stretch over the past three decades, the old road has been torn up or bypassed with a series of modern highways.

U.S. 66 first came into being in 1926, when much of the route was still dirt. The highway started at Jackson Boulevard and Michigan Avenue in Chicago and stretched through Missouri, Oklahoma, Texas, New Mexico and Arizona before ending at the Pacific Ocean in Santa Monica, California.

In John Steinbeck's novel, "The Grapes of Wrath," the Joad family traveled U.S. 66 as they migrated west in the 1930s. Bobby Troup wrote a song about the highway in the 1940s that went, "Get Your Kicks on Route 66." He will be guest of honor at the ribbon-cutting.

Facts and Figures

Americans spent \$355.4 billion for health care last year, representing a record 10.2 percent of the gross national product, or \$1,459 per person, the U.S. Department of Health and Human Services reported Wednesday. American farmers received a record \$9.2 billion in direct federal subsidies last year, more than double the previous high of \$3.96 billion paid out in 1972, according to the U.S. Department of Agriculture. Childbearing is being delayed longer and longer by American women, according to the National Center for Health Statistics. Women aged 35 to 39 averaged 3.3 first births per 1,000 women in 1982, up from a rate of 1.8 a decade earlier. For women aged 30 to 34 years, the rate more than doubled from 7.0 to 14.6 per 1,000. First births among women under 30 have declined slightly as they pursue education and careers.

Chicago's Mayor Ends Rift With City Council

Harold Washington, Chicago's first black mayor, may have come to a turning point this month in reaching an agreement with leaders of the City Council, with whom he has been feuding in the 18 months since he took office.

Mr. Washington rallied business and civic leaders and local newspapers to his side in a dispute over who should control public works contracts — the mayor, as has been the case for decades, or the council. The compromise: the council will have some review power, but the mayor retains substantial control.

There also appeared to be an easing of the strained relations between Mr. Washington and Chicago's ethnic Poles, Czechs,



Harold Washington

Slovaks, Irish and Italians. He received a warm reception Sept. 30 when he addressed the Save Our City/Save Our Neighborhoods coalition, made up of white ethnic groups that deserted the Democratic Party last year to vote for Mr. Washington's Republican opponent, Mike Royko, columnist for The Chicago Tribune, was unimpressed by the City Council leaders' insistence on reviewing contracts. He wrote that before Mr. Washington became mayor, or if they ever had anything to say about city contracts, "it probably was nothing more than the city's unofficial slogan, 'Ubi Est Mea?' which means, 'Where's Mine?'"

Notes on People

As the U.S. aircraft carrier Kitty Hawk plowed through the Sea of Japan on maneuvers one night last March, a Soviet submarine surfaced, its stern clipper of the sub's propeller sheared off and lodged in the hull of the American ship. The chunk, about the size of a plate, was shined up, inscribed and presented to Admiral James D. Watkins, chief of naval operations. It now hangs in his Pentagon office. The inscription, in Cyrillic: "A submerged collision can ruin your whole day."

At the behest of Governor Thomas H. Kean of New Jersey, a 15-foot (5-meter), two-ton statue commemorating American soldiers who helped liberate Europe during World War II will be erected on the New Jersey side of New York harbor, facing the Statue of Liberty. The statue, "Liberation," will depict an American soldier carrying a survivor out of a Nazi concentration camp.

—Compiled by ARTHUR HUBBEE

Reagan Casts Himself as Truman in Tour of Ohio

By David Hoffman

OTTAWA, Ohio — President Ronald Reagan has cast himself as a latter-day Harry S. Truman in a whistle-stop railroad tour across Ohio, borrowing the former Democratic president's old U.S. Car One and directing echoes of Mr. Truman's combative rhetoric at today's Democrats.

The Democratic presidential nominee, Walter F. Mondale, has accused Mr. Reagan of "grave-robbing" Democratic heroes, and Mr. Reagan taunted his rival Friday by summoning up memories of Truman and Franklin D. Roosevelt to reinforce his own appeal to Democratic voters.

"You know, Harry Truman rode this state in his whistle-stop tour of 1948, and he spoke some very blunt truths," Mr. Reagan told a crowd by the rail tracks in Sidney, Ohio. "And that's what I'm going to do."

Mr. Reagan also accused Mr. Mondale of taking a "Fritz-flop" on the issue of tax indexing, and said, "If Harry Truman had to apply a motto to his radical taxing scheme, he'd have to say, not 'Your back stops here,' but 'Your back never stops.'"

"In our debate," Mr. Reagan said, "I got a little angry at all the times he distorted my record. And at one point I was about to say to him very sternly, 'Mr. Mondale, you are taxing my patience.' And then I caught myself. Why should I give him another idea? That's the only tax he hasn't thought about."

Roosevelt "told us the only thing we have to fear is fear itself," Mr. Reagan said. "The only thing my opponent has to offer is fear itself." Mr. Reagan used the picturesque settings of small-town Ohio to unveil a combative new stump speech that repeatedly attacked Mr. Mondale's role in the Carter administration and quoted Jimmy Carter as saying Mr. Mondale was involved in every major decision.

Spectators waved flags and banners as the Reagan campaign train, the "Heartland Special," cruised through the towns of Sidney, Lima, Ottawa, Deshler and Perryburg — much the same course that Truman made on Oct. 11, 1948.

Mr. Reagan cast his last vote for a Democrat in the 1948 election, when Truman whistle-stopped 31,700 miles (51,400 kilometers), giving 356 speeches in 35 days in his uphill campaign against Thomas E. Dewey.

Mr. Reagan laid claim rhetorically to the Truman tradition Friday: "I respected Harry Truman's ability to stand for what he believes, his consistency of principles and his determination to do the right thing. Mr. Truman could also make very plain the differences between himself and an opponent. And that's what I'm going to try to do today."

The train, seen by an estimated 100,000 people, ended its journey at nightfall in Perryburg.

Mondale Tax Plan Attacked

Mr. Reagan, in his weekly radio address, denounced Mr. Mondale's tax and economic proposals as "the lemon you got rid of four years ago," The Associated Press reported from Washington.

Referring to Mr. Mondale's term as vice president, Mr. Reagan said, "In his administration the only things that went up were inflation, interest rates and taxes and everything else, investment, productivity, earnings, confidence, optimism, fell apart."



Walter F. Mondale and Geraldine A. Ferraro campaigning in Madison, Wisconsin.

Mondale Assails Bush for 2 Remarks Apologies Sought for Beirut Claim, Statement on Debate

By Jane Perlez

MINNEAPOLIS — Walter F. Mondale has accused Vice President George Bush of making a "very, very libelous" charge against him regarding Lebanon and has said that President Ronald Reagan should call in Mr. Bush and force him to apologize.

The Democratic campaign also asked Mr. Bush on Saturday to apologize for saying "we tried to kick a little ass" in describing his performance in Thursday night's debate with Mr. Mondale's running mate, Geraldine A. Ferraro.

In that debate, Mr. Bush referred to the 241 marines and other Americans killed in the bombing of their barracks in Beirut in October 1983. Mr. Mondale and Ms. Ferraro have repeatedly criticized the administration's efforts to safeguard U.S. forces.

Mr. Bush said that "for somebody to suggest, as our opponents have, that these men died in shame — they had better not tell the parents of those young marines."

On Saturday, Mr. Mondale read part of a transcript of comments he made the day the marines were killed.

It said, in part: "We all stand together, as Americans, expressing our prayers and condolences to the families whose young boys have been injured in that savage attack. Today should be a day of mourning for these wonderful Americans who have lost their lives serving our country in the cause of peace."

Mr. Mondale said of Mr. Bush's comment, "If I had done something like this I shouldn't be president or dog catcher."

He said "this is a very, very libelous statement," and added that he had "resisted the suggestion that this be a day to attack the president."

Mr. Mondale said Mr. Reagan should "pick up the phone and ask his vice president to apologize right now, to say he's sorry and get it behind us."

"I'm very angry," Mondale said. "I've been in politics a long time. We all get tired, we all sometimes say things we take back. But there's a line. And when you start suggesting things this vicious, and to go so basic to the fundamental decency of an American — we're talking about decimating someone to the highest office of the land — you better be careful. And if you do make

mistake, correct it fast. Apologies are accepted."

Shirley Green, Mr. Bush's deputy press secretary, said Saturday that he would not apologize for his remarks during the debate.

"Our opponents have repeatedly suggested the marines were killed in Lebanon through negligence and were there for no clear reason, and that the whole thing was a shameful episode," she said.

Mr. Mondale was also asked about the vulgarity Mr. Bush uttered the day after debating Ms. Ferraro.

Campaigning Friday in Elizabeth, New Jersey, Mr. Bush said "we tried to kick a little ass last night" in the debate.

The vice president appeared to be unaware that he was within earshot of reporters as he made the remark to an official of the International Longshoremen's Association while shaking hands with dockworkers.

Mr. Mondale said the remark reflected the attitude of Mr. Bush. That, he said, is to "avoid taking Geraldine Ferraro seriously as a candidate for the vice presidency."

Ms. Ferraro's campaign manager, John Sasso, said Saturday that the remark was "beyond decency" and asked for an apology.

(Mr. Bush laughed about the disclosure of the remark in New Jersey and said, "I used an old Texas

football expression," The Associated Press reported from Washington.

"I stand behind it," Mr. Bush said. "I use it all the time. My kids use it." As to whether the disclosure would damage his campaign, Mr. Bush said: "No. It's going to help. Everybody understands exactly what I was saying."

Ferraro Claims Victory
Geraldine A. Ferraro of New York Times reported from Chicago: Ms. Ferraro, supported by exuberant followers, on Friday claimed victory in the debate with Mr. Bush.

While traveling by plane from Philadelphia to Madison, Wisconsin, Ms. Ferraro contended that she had accomplished what she set out to do in the debate.

She said: "I can be funny anytime; I can be flip. I am more interested that the American people get to know me."

On Saturday, she confronted several hecklers directly as she spoke in Niles, Illinois. Ms. Ferraro abandoned her text dealing with budget cutbacks and said "OK, ladies, hold it," to about a half-dozen hecklers.

As the heckling stopped, Ms. Ferraro said she supported various freedoms under the constitution, including freedom of speech.

CAMPAIGN BRIEFS

Catholic Bishops Deny Role in Politics

NEW YORK (NYT) — Bishop James W. Malone, president of the National Conference of Catholic Bishops, has issued a statement saying that the bishops had no intention of creating a "voting bloc" and denying that the church was involved in single-issue politics.

The statement Saturday said the bishops also did not "preempt the right and duty of individuals to decide conscientiously whom they will support for public office." Some critics contend the bishops are trying to help elect candidates who support the church's stand against abortion.

Percy Complains of 'Racist' Radio Ads

CHICAGO (AP) — Senator Charles H. Percy, Republican of Illinois, has accused Mayor Harold Washington of Chicago of using a "racist" appeal in radio commercials for his Democratic challenger, Representative Paul Simon.

In the commercials, broadcast on Chicago area radio stations with predominantly black audiences, the mayor, a Democrat, says Mr. Percy has supported White House economic policies that "have ravaged our cities."

Mr. Percy said Friday that he was "enraged" by the commercial and threatened to ignore mayoral requests for federal aid. Mr. Washington dismissed Mr. Percy's complaints as "political rhetoric."

Social Security Officials Say Private Alternatives Studied but Not Planned

By Robert Pear

WASHINGTON — Top officials of the Social Security Administration have been studying proposals for changes in the retirement program, including some that would make participation voluntary while encouraging people to rely on private insurance, pensions and savings to a larger degree.

Martha A. McSteen, the acting commissioner of Social Security, confirmed that she attended a meeting in June at which agency officials discussed "private alternatives to Social Security." She said the briefing was part of an "educational process" and that the Reagan administration had no plans to submit any of the proposals to Congress if the president were re-elected.

Walter F. Mondale, the Democratic presidential nominee, has charged that President Ronald Reagan has a "secret plan" to reduce Social Security benefits. Mr. Reagan has denied it, saying he would not cut benefits for current or future recipients.

White House officials said they had not requested and did not know about any analysis of private alternatives to Social Security. If the Social Security Administration did such a study, they said, it was purely academic and theoretical.

Edwin L. Dale Jr., a spokesman for the Office of Management and Budget, said he knew of "no administration initiative to change anything" in Social Security. "There's nothing cooking on Social Security," he said. "There's no reason to have anything cooking. The system is perfectly solvent for as far ahead as you can see, even under pessimistic economic assumptions. There will be large surpluses in the Social Security Trust Fund in the 1990s."

Social Security provides retirement, disability and survivor benefits to 36 million people. The program is expected to cost \$189 billion in the current fiscal year, which began Oct. 1.

The briefing paper indicated that the review session for Mrs. McSteen, conducted by agency staff members, focused on "those proposals which would phase out mandatory participation in Social Security and substitute mandatory or voluntary participation in private programs." The private programs would, like Social Security, "provide retirement, disability and survivors insurance," but at less cost to the government.

Social Security officials minimized the significance of the briefing for Mrs. McSteen in mid-June, saying it was one of many conducted for her on various topics. The papers discussing the private alternatives were made available by a former high official of the agency who opposes the changes described in them.

The documents made no recommendations but analyzed "arguments for privatization" of Social Security. One of the chief arguments was that "the rate of return on Social Security is less than on private alternatives." Mr. Reagan made that argument in radio broadcasts in 1978, but he has not repeated it as president.

The rate of return measures the annual yield on an investment by comparing the total paid back to an investor with the value of his or her contributions over the years, plus interest that continues to accumulate until all payments to the investor have been made.

One of the briefing papers prepared for Mrs. McSteen said, "Social Security is a mixture of 'insurance' and 'welfare.'" Under the private alternatives to Social Security, the paper said, "insurance" would be provided by private firms and "welfare" would be provided by the government through a means-tested program.

A program is said to have a "means test" if the payment of benefits is contingent upon financial need. In most such programs, the benefits fall as a person's income rises.

'Week of Debates' Focuses Attention on One to Come

(Continued from Page 1)

to four tough years in a pressure-cooker job.

A study of media coverage by John E. Merriam in the Issues Management Letter issued Friday found that the Democratic ticket had enjoyed an increasing edge in favorable stories in the two weeks leading up to the Louisville debate. Mr. Merriam said that edge had widened greatly in the first half of last week.

Some Republican strategists said they welcomed the Bush-Ferraro debate, if only because it shifted the focus, at least temporarily, from Mr. Reagan's supposed shortcomings. Stories about that debate, in which Mr. Bush fared at least as well as Ms. Ferraro, dominated Friday and Saturday's newspapers and television reports.

This week's campaign scheduling almost seems designed to rebuild Mr. Reagan's self-confidence. He starts the week with a swing through the South, where his support is already very strong. On Thursday, he will share the stage with Mr. Mondale at the annual Al Smith Catholic charity dinner in New York.

It was the morning after the 1980

Al Smith dinner, where Mr. Reagan overshadowed President Jimmy Carter with a display of easy wit, that Mr. Reagan decided to debate the incumbent. That decision, and his subsequent debate performance, turned out to be the keys to Mr. Reagan's victory.

White House aides insist, and independent data tend to confirm their claim, that nothing has happened to put Mr. Reagan's re-election prospects in jeopardy.

A half-dozen pollsters, working in about 18 states, on average reported a gain for Mr. Mondale from pre-debate levels of 3 or 4 percentage points, and an average loss for Mr. Reagan of 1 or 2 points.

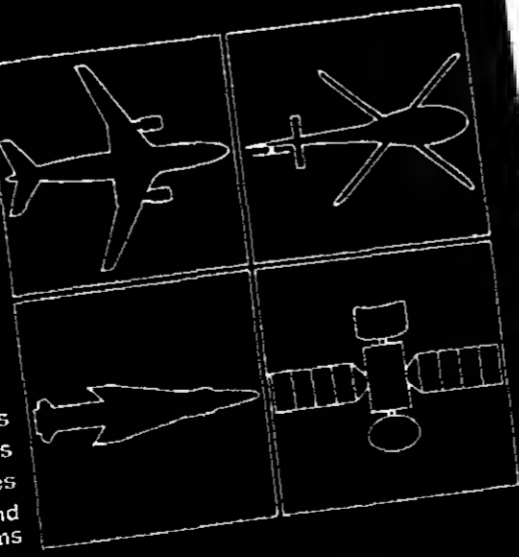
In only three of the states — New York, Massachusetts and Oregon — was the Reagan margin reduced to the single-digit level.

Mr. Mondale and Ms. Ferraro will be campaigning heavily this week in California, in part because it is the only one of the major Sun Belt states where they appear to be at all competitive. Florida is far out of reach. And while Governor Mark White, a Democrat, spoke of the "momentum moving our way" in Texas, others who know the state well are less optimistic.

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The IRA vs. Democracy

Dostoevsky once wrote that no cause justified the killing of a child. The Irish Republican Army, like the terrorists in his novels, disagrees. IRA adherents believe that any deed is sanctified as long as it promotes the cause of purging Northern Ireland of British "occupiers." So its bombing in Brighton, which came close to killing Prime Minister Margaret Thatcher, is of the same piece as its slaughter of Christmas shoppers, its terror bombing of a dance hall and its "execution" of suspected Catholic traitors, youngsters included.

But the characters in "The Possessed" lived under the czar's malign despotism and saw themselves as saviors for wretched and voiceless peasants. By contrast, the IRA aims to destroy democracy and uses bombs to disguise its lack of real support. Indeed, it gets most of its money not in Ireland but in America from otherwise law-abiding citizens — a bizarre twist exceeding Dostoevsky's fiction.

This is not conjecture. On Sept. 29 Irish authorities seized the trawler *Marina Anne*, bound from an American port with seven tons of weaponry, including machine guns, hand grenades, rifles and enough ammunition to kill thousands. Dublin has no doubt about who produced the cash for this arsenal: well-meaning Americans responding to pleas for "humanitarian" help from IRA fund-raisers.

Contributors should consider the meaning of Friday's Brighton blast, which killed four and injured 32. The nominal target was the

Conservative Party conference, which on its final day was to debate Northern Ireland. The real target was Mrs. Thatcher before she could confer, within a month, with her Irish counterpart, Garret Fitzgerald. On the agenda are new ideas for giving more rights to 500,000 Catholics in Northern Ireland, ideas furiously opposed by hard-liners among a million Protestants, the Catholics' historic oppressors.

Protestant zealotry and violence finds its match in the IRA's determination to wreck any democratic initiatives that fall short of imposing a united Irish Socialist Republic.

Outside the slums of Northern Ireland, the IRA speaks only for itself. A reputable August poll shows that only 2 percent of the Irish Republic's voters support its Sinn Féin party, and that 80 percent of the people in the North have no use whatever for either the illegal IRA or the Protestant paramilitary groups that also preach violence. Indeed, 66 percent in the Republic believe their government is not taking a hard enough line against the IRA.

Small wonder that the IRA has turned overseas for support it cannot find in Dublin, playing on the gullibility of a small minority among the 40 million Americans of Irish descent. The next time the hat is passed, those tempted to contribute should ask how they would feel if money were raised in another country to finance an attempt to assassinate the president of the United States.

— THE NEW YORK TIMES.

East German Semblance

East Germany celebrated its 35th anniversary on Oct. 7 with the usual military display. As national drama it lacked conviction. Events reminding the East German government that a substantial number of its people would rather live in West Germany and some are ready to take real risks to get there. About 80 East Germans spent the anniversary weekend crowded into the West German Embassy in Prague, pleading for asylum. Legal emigration from East Germany this year has been the greatest since the Berlin Wall cut off free access 23 years ago. Another half million East Germans, out of a population of 17 million, have applied for exit permits. That is a pretty convincing index of discontent, and of West Germany's magnetic attraction.

The West Germans, with their overtures, their expanding trade and their financial subsidies to East Germany, sometimes seem to be hinting at some larger change. That is currently setting off ripples of uneasiness in Western Europe as well as in the East. Unfair though it seems to many Germans, the division of Germany has become, to other Europeans, a symbol of political stability.

Italian Foreign Minister Giulio Andreotti said in a speech in Rome last month that "pan-Germanism is something that must be overcome. There are two German states and two

German states must remain." West Germans reacted with fury, but they know that Mr. Andreotti is not the only West European who holds views like that. His remark was another unwelcome reminder of the intensity, not in any apprehension, with which the rest of Europe regards anything that suggests even a modest rise in German nationalism. In the West the question remains the familiar one: how to gradually expand East Germany's narrow areas of personal freedom without threatening the present political structure of Europe and inviting another wave of Soviet repression.

East and West Germany were founded within a few months of each other in the aftermath of the Berlin blockade. West Germany is a genuine national presence and a democracy; since East Germany is neither, it remains a source of instability. As a remedy to restlessness the East German government has been trying to persuade its people that they are a genuine country and the heirs of the true German national tradition, unlike the deplorable Westernized Bonn republic. Thus there is ceremonial goose-stepping in East Berlin and the embrace of un-Marxist figures like Martin Luther and Frederick the Great. To judge from the audience's reaction, the performance seems not to be much of a success.

— THE WASHINGTON POST.

Costlier Poor Weapons

Every American taxpayer should visit one of the air force's C-5 transport planes. He should climb the \$74,000 aluminum folding ladder and sink into the \$13,000 crew chief's seat. There, sipping coffee from the \$7,000 coffee brewer, he can ponder just how much extra security the Pentagon has bought with its four-year, \$755-million military spending program.

Congress has now seen enough overpriced military spare parts to realize that waste and extravagance are endemic to the procurement system. But the Pentagon whistle-blowers who bring these excesses in light are not so much worried about prices. Their concern is that the Pentagon has lost effective control over the design and procurement of new weapons.

Lack of competition among contractors stimulates shoddy quality. Last month a Hughes Aircraft plant stopped production due to numerous defects in three major missiles. "We see things that are just as badly done all over the country," says the navy official responsible for closing the Hughes plant down. The navy wants more competition.

Defective weapons are a heavy drain on repair budgets, but at every upswing in defense spending the services prefer starting production lines for new weapons over repairing those on hand. The General Accounting Office reports that a quarter of the navy's Sidewinder missiles, the principal air-to-air combat weapon, were unserviceable. And 80 percent of the marines' anti-tank missiles have a "flyback" problem — they are liable to boomerang back on their dispatcher. That is after three years of increased spending by an administration that rightly wants to improve readiness.

On the principle that Russian numbers must be offset by superior quality, the Pentagon's weapons tend to be excessively complex. That

means high unit cost, so fewer can be bought, and more things to go wrong, so fewer weapons still are available for combat. In 1951, 6,000 fighter planes were produced for \$7 billion (in constant 1983 dollars); in 1983, 511 billion purchased fewer than 300 fighter planes. Not design but a persistent underestimation of costs has brought about this insidious form of unilateral disarmament.

The costlier new weapons are not even more effective, because their developers seem to lose sight of what actually works in combat. Under contractor pressure and a penchant for high technology, the Pentagon often allows "gold-plating" — the addition of expensive extra features that are useful only in extreme cases.

Thus the navy justifies nuclear-powered attack submarines on the grounds of higher speed. But diesel-electric subs are ultra-quiet, which is far more critical to survival than speed, and cost an eighth as much. The army's M-1 tank goes faster than the M-60A1 it replaces, but it costs three times as much and breaks down twice as often. The air force's F-15 fighter violates a basic principle of air combat by having engines that smoke, thus betraying its position to an opponent.

All this smearing of the pack and circling of the sharks detracts from the real significance of an extraordinary military event. I offer the testimony of Rockford, Illinois — Reagan country if any exists. It is the territory in which he grew up. It has

— THE NEW YORK TIMES.

Duarte's Hope to Negotiate Peace Depends on El Salvador's Officers

By Miguel Acoca

WASHINGTON — President José Napoleón Duarte's bid for talks with rebel leaders has long been in the cards. Whether a peace agreement ending the civil war emerges depends more on the Salvadoran officer corps and Washington than on the guerrilla leaders, Fidel Castro, the Soviet Union or Mr. Duarte himself.

No doubt Mr. Duarte is acting from conviction. He is supported by a broad, loose constituency that includes like-minded politicians, Roman Catholic clergymen, campesinos, labor unions and progressive military officers. The principal component in this coalition consists of officers who have long felt that the army cannot win just by killing guerrillas and destroying the countryside — that only negotiations with the leftist rebels can end the carnage that has claimed tens of thousands of lives, disrupted the economy and visited misery on the populace.

In recent months Mr. Duarte and the military's progressives have won some backing from conservative officers who fear they are losing control of their power base in the armed forces to a tough new breed of commanders whose attitudes were forged under U.S. influence and whose main objective is battlefield victory.

Another factor influencing President Duarte, the officers, the rebel *comandantes* and the Roman Catholic hierarchy is Mr. Duarte's certitude that unless the war is curtailed it will escalate as the United States supplies lethal AC-47 gunships and more helicopters and as the rebels counter with anti-aircraft missiles.

The question is whether the progressive officers are strong and united enough to keep ultra-right officers, politicians and businessmen in check during peace talks, and whether Washing-

ton, which has manipulated Salvadoran military factions for decades, will throw its weight behind President Duarte and the progressives in any long, difficult negotiations.

Many political observers in the United States tend to measure movement toward democracy in Central America by free and fair elections. Nothing could be more mistaken. Voting results are important, but what remains crucial is military officers' attitudes. This is particularly so in El Salvador, where the war is being fought by an entrenched military establishment that has dictated government policy for generations.

U.S. policy-makers and the intelligence community know better than anybody the moods and attitudes of Salvadoran military factions. Since World War II Washington has studied, educated, manipulated, indoctrinated and rewarded the Salvadoran armed forces. The CIA and the Defense Intelligence Agency have put trusted Salvadoran officers on the payroll to spy on colleagues and report on internal military power struggles, in part of a worldwide effort to determine who is for and against the United States. Mr. Duarte and the officers know this.

Many officers, on the right as well as among progressives, complain that U.S. intelligence efforts are devoted almost entirely to Salvadoran military rivalries, in the neglect of the divisions and rivalries in the rebel movement.

Some progressive officers fear that Washington will sabotage any deal Mr. Duarte devises with the rebels if it does not take U.S. priorities into account. They also mistrust conservative officers who have fallen in line with Mr. Duarte not because they believe in peace but because they hope to thwart him and the progressives.



The progressives point out that in 1962 conservative officers began compiling a dossier on Mr. Duarte intended to prove he is a Communist. The dossier, which is available to anyone, concludes that he secretly favors the rebels and is ready to betray his country to the Communists. Such charges against him — echoed by Salvadoran, Nicaraguan and Cuban exiles in the United States — are being broadcast today in an effort to undermine any peace initiative.

In El Salvador, in most of Latin America, the officer corps is the dominant political force. It can curb or unleash death squads, ratify election results and veto or support peace talks. The military is the final arbiter, and Mr. Duarte, despite his election, is its hostage.

Mr. Acoca, a specialist on Latin America, writes for *The Observer News Service* in London. He contributed this comment to *The New York Times*.

The March To German Consensus

By William Stivers

MUNICH — A year ago this month, close to a million demonstrators took to the streets in West Germany to denounce the approaching deployment of U.S. cruise and Pershing-2 missiles. The government's decision to accept these weapons, although it was regarded as a crucial test of West Germany's commitment to the North Atlantic alliance, was widely unpopular. Today, by all appearances, the government has weathered the storm, but not without paying a price.

One year later, quiet prevails; the peace movement seems dispirited and unfocused. But this surface impression masks a basic shift: the government has bought political peace with an Ostpolitik that has the effect of downplaying the North Atlantic Treaty Organization's role in further eroding pro-alliance sentiment among the West German people.

Critics of the peace movement take comfort from the movement's seeming collapse — its failure to prevent deployment and its inability to sustain last fall's initiative. But that is a mistakenly narrow judgment, for a number of reasons.

In the first place, sensational reporting overestimated the demonstrators' efforts to make the country "ungovernable." It was only a tiny minority that sought to create disorder, and the demonstrations were notable for uncommon discipline.

Second and more important, the real effect of the movement cannot be measured by mass demonstrations. True, the rise of a direct, extra-parliamentary opposition was a major turning point in West German politics. But the enduring success of the peace movement lies in deep changes that it triggered elsewhere on the political scene: the leftward movement of the Social Democratic Party on foreign policy, the involvement of churches and labor unions in the arms debate, the awakening of millions of middle-class voters who support the Christian Democrats but oppose their stand on deployment.

Faced with such wide opposition, government politicians saw that they could not mollify the public through a simple, no-apologies affirmation of the Atlantic alliance. They abandoned the rhetoric of that commitment, which scarcely has been mentioned since the NATO summit in London last year, and sought legislation through an expanded Ostpolitik, particularly a dramatic "thickening" of ties with East Berlin.

West Germans, both in government and in opposition, see this opening as a kind of historic mission — what Chancellor Helmut Kohl has called a shared German "responsibility for peace." Whereas the West Germans once contributed to world peace through adherence to NATO, they now seek peace by pursuit of a German policy that supposedly provides a model for all the world.

The implications of this shift in consciousness can scarcely be overestimated. NATO still exists and West Germany still adheres to it, but the alliance has lost relevance. NATO figures increasingly less in people's awareness, even while they assume its protection.

One might argue that Mr. Kohl's own commitment to NATO is diminished — that his government is merely playing to the political situation. That may well be true, but it may not be very significant.

What about Mr. Kohl's own future? The costs of the deployment decision have only recently begun to make themselves felt.

In August the Soviet Union launched a venomous propaganda campaign against the Kohl government, and last month the East German leader, Erich Honecker, canceled a recently awaited visit to West Germany. The Bulgarian leader, Todor Zhivkov, did likewise.

Meanwhile, the parliamentary opposition of Social Democrats and Greens has begun in question the Kohl government's belief that it could extend Ostpolitik without addressing the nuclear arms issue and the general context of East-West relations. Opposition leaders question the chancellor's ability to control the right-wing fringe of his coalition, and they are asking whether the government has the basic competence to carry out Ostpolitik.

The answer to this last question could determine the political future of the government, so great is the West German consensus for debate. Simple adherence to the NATO commitment and friendly relations with the Reagan administration provide no basis for foreign policy consensus in West Germany today.

The writer is director of the University of Southern California's international relations graduate program in West Germany. He contributed this comment to *The New York Times*.

Is Reagan's Age the Point?

The Reverse Had to Do With Capacity

By Haynes Johnson

ROCKFORD, Illinois — To this observer, wandering the country far from Washington in the closing weeks of the presidential campaign, there has been something outrageous in the sudden din about "the age factor" that is sounding forth on America's airwaves. I would not be surprised to turn on the television in some motel and find reporters shouting questions at Ronald Reagan: "Just when did you start feeling young, Mr. President?" or "What's it like when you lose your marbles?"

In fact there is simply no credible evidence that Mr. Reagan is anything other than what he has seemed: a 73-year-old in unusually good health, with a strong constitution that enabled him to bounce back remarkably from a gunshot wound in the chest. Nor is there anything to suggest that suddenly he has gone senile.

All this smearing of the pack and circling of the sharks detracts from the real significance of an extraordinary military event. I offer the testimony of Rockford, Illinois — Reagan country if any exists. It is the territory in which he grew up. It has

supported him overwhelmingly in the past and continues to do so today.

In the past few days I have talked with scores of people here, including a wide cross section of Republicans, both rank and file and party leaders. Not a single person — not one — thought Mr. Reagan did well in his Oct. 7 debate with Walter Mondale. They all believed Mr. Mondale did better. Republicans were, depending on the person, "disappointed" or "depressed" or "saddened" or "troubled" by what they saw on television.

My point is that an absolute unanimity of opinion exists about what happened. In my experience, such political unanimity is unprecedented.

In all the other comparable political encounters, beginning with Nixon's defeat in 1960 and on through Ford-Carter in 1976 and Carter-Reagan in 1980, no matter what the polls and pundits proclaimed about who "won" the debate — a stupid exercise at best — I always found many people who believed their guy had done best. That is not the case this time.

That does not mean that Mr. Reagan is headed for defeat. It means that doubts about his knowledge and his ability to handle adversity have fully surfaced among the public. They were there all along but for the most part were suppressed.

Among Reagan supporters, this raises serious questions about how well he can handle the presidency for four more years. "I had expected that Ronald Reagan would destroy Walter Mondale," one such person here said. "The humor that Reagan had used so well in the years of campaigning wasn't there. It looked like he was having trouble remembering what the

script was. Maybe he tried to remember too much. I thought he did a terrible job, and to a certain degree because I was so sure he would do so well. If that feeling is anywhere near widespread, it impacts a lot on the leadership factor for the future.

From the Democratic standpoint, there is new hope. "I'm not a real world Mondale supporter here in the city or in anything else," said Mayor John McNamara, a Democrat. "What really impressed me about the debate was Mondale. I wasn't prepared for it."

"He was in charge right away, got better as the debate went on, and his confidence level was building at every step of the way. I think his not being shrill was incredibly effective. It was so unlike what the people of the country have seen of Mondale, and he showed a great sense of humor. When he ran over his time, he was natural, disarming. 'Okay, I'll get you next time.' I have to tell you, my overriding impression is not that it was so negative for Reagan but that it was positive for Mondale."

"You will see a renewed spirit with his team, because his team that I have seen in Rockford over the last 60 days has been demoralized, has been almost beaten down by the polls. . . . If anything, this will give his people on the streets that are hitting the bricks an incredible spark. Incredible spark."

"Candidly, two or three weeks ago I didn't think the guy had a prayer. [Now] I think it's not too late at all. I can't get over how much stronger I feel about Mondale's performance. . . . Something happened."

What happened had nothing to do with age or health. It had to do with capacity. Ronald Reagan can't afford to let it happen again.

The Washington Post.



"Some people to see you, Mr. President — your drama coach, your speech coach, your debating coach, your image technician, your kitchen remodeler, er, etcetera."

The Great Speech Reader Minus Script

By Les Payne

NEW YORK — President Reagan would have fared better during the Louisville ambush if, as before his 1980 debate with Jimmy Carter, his aides had stolen his opponent's briefing book. This time he had to stand up there on his own and defend the indefensible without benefit of Mr. Mondale's game plan.

All this smearing of the pack and circling of the sharks detracts from the real significance of an extraordinary military event. I offer the testimony of Rockford, Illinois — Reagan country if any exists. It is the territory in which he grew up. It has

media? Or reduce his campaign largely to one of photo opportunities?

After watching Mr. Reagan sweat rather freely over the unscripted give-and-take, columnist George Will no doubt hoped that his man would gather himself during his final rebuttal, formulate a statement, but Mr. Reagan "was worst when he should have been best, in the closing statement," Mr. Will wrote (*LIT*, Oct. 10). By this time he looked like an old gentleman out for a Sunday drive in his antique car finding himself suddenly in the middle of the running of the Firecracker 500.

During rehearsals for the Carter debate, Reagan advisers had full use of the perfunctory book outlining Mr. Carter's suggested answers. Mr. Reagan's expected rebuttals and finally Mr. Carter's suggested replies to the rebuttals. Inoculated against surprise, Ronald Reagan at the podium appeared calm, controlled, unflappable, vigorous even.

This time, every Mondale charge seemed to surprise and bewilder the president, who seemed as tangled in his spoon-fed figures and facts as a bull in a barbed wire.

What suits Mr. Reagan is reading from a prepared or partly memorized text. It is the hallmark of a flabby mind best suited for actors, evangelists and television anchormen. Faced with uncertainty, complex choices and the snarls of the real world, such a mind goes off duty, exposing its owner as the cipher he happens to be.

Mr. Reagan's handlers seem not to be unaware of this special defect in their Great Speech Reader. Why else risk scandal by stealing the Carter briefing book? Or go to such extreme ends to protect Mr. Reagan from the

freezing and cracking Reagan was answering unasked questions with incomplete sentences, ad hominem arguments and disputable facts.

Mr. Reagan, of course, reportedly won that 1980 debate with eye twinkle, voice tone and all the other superficial indexes better suited to select a television game show host than the leader of the most powerful nation on the planet. This year those superficial indexes failed him. He failed, and miserably failed, the Great Speech Reader.

The writer is national editor of *Newsday*, the Long Island-based daily.

LETTERS TO THE EDITOR

The Onus for Arab Ills

Regarding the opinion column "Frustration With America Is Growing" (Oct. 4) by Mohammad Tarbush:

Mr. Tarbush writes that "by pre-empting the Fes summit" Washington helped bring on "the bullets of Syrians, Palestinians, Libyans and others fighting each other in Lebanon." This is the fault of the United States? Even President Reagan has learned that it is foolish to put marines in the line of fire.

Mr. Tarbush tells of a Palestinian who, although he has been working in an oil-rich Arab country since 1948, can be thrown out at any time. Why is it America's fault that wealthy Arab countries refuse to accept their Palestinian brothers into citizenship?

Isn't it time for the Arabs to try to solve their own problems?

ANDREW M. KAMARCK,
Brewster, Massachusetts.

A Palestinian Request

Regarding the report "America Losing Its 20-Year Battle to Stem the Flow of Illegal Drugs" (Sept. 18):

I was not surprised to read that "Reagan administration officials" claim that the PLO supports its activities by engaging in the international drug trade. Nor would I be surprised if said officials had nothing with which to support their allegation.

What these incompetent administrators forget is that the PLO is supported by millions of hardworking, homeless Palestinians around the world. The International Herald Tribune would do its readers a great service by making available any documents and hard evidence supporting such an allegation. As a Palestinian who contributes 5 percent of his income to the PLO, I want to know.

SAMIR AL-BIRAWI,
Paris.

Congo Before Ethiopia

Regarding the opinion column "Hungry Africa Can Become Sober Power" (Sept. 27) by Brij Khindaria:

Mr. Khindaria's analysis of Africa's plight is sound, but his assertion that with Ethiopia's black Africa acquires its first Soviet-style Communist regime cannot easily be accepted.

Africa's first post-colonial ruling Communist Party exists in the Congo, where the Parti Congolais du Travail (the Congolese Labor Party) was founded in January 1970 with the promotion of collectivism and the "struggle against imperialism and capitalism" as its declared objectives. The Congolese Labor Party is the only party tolerated. The official trade union federation — the Confédération Syndicale Congolaise — is the only tolerated trade union.

[Name supplied]
Sévran, France.

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Brazil and Saudi Arabia Sign Arms Pact

By Alan Riding
New York Times Service

RIO DE JANEIRO—Brazil has concluded a military cooperation agreement with Saudi Arabia that should result in a new rise in Brazilian arms sales in the Middle East.

Already the world's sixth-largest arms exporter, Brazil has sold military equipment in recent years to Iraq, Libya, Egypt, Kuwait, Tunisia and the Sudan. But until now Brazil had not penetrated the Saudi market, the most lucrative in the Middle East.

The five-year agreement, signed Tuesday in Brasilia by Brazil's foreign minister, Ramiro Saraiva Guerreiro, and the Saudi defense

and aviation minister, Prince Sultan bin Abdul Aziz, refers only in general terms to military-industrial cooperation between the two countries.

But Brazilian officials said they anticipated that joint ventures would be formed in Saudi Arabia for the manufacture of Brazilian military equipment for sale to the Saudi government and for export elsewhere in the region. The first joint agreements are expected for the Astro-2 rocket and the T-27 Tucano training aircraft.

The officials were reluctant to estimate the eventual value of the agreement, but they stressed it also opened the doors to direct sales. A Brazilian delegation is due in Jed-

dah later this month to demonstrate a new Brazilian tank, known as the Osorio.

Although Brazil exports armaments to more than 30 countries, with sales in 1983 estimated at \$1 billion, the Middle East has become its fastest-growing market. Iraq has emerged as its single largest client since the outbreak of the war between Iran and Iraq.

Brazil has strongly denied reports that it is also selling weapons to Iran, but some Brazilian-made Cascavel armored vehicles are being used by the Iranian Army. Officials here said they were either captured from Iraq or bought from their original buyer.

One of Brazil's appeals as an arms supplier is that, unlike the United States, it does not ask buyers to sign "end-user certificates" committing them to seek authorization for resale of its war material. Some Brazilian-made weaponry in the hands of Iran is thought to have been acquired from Libya, another Middle East nation.

Brazil's military-sales relationship with Libya was temporarily disrupted last year after Brazil grounded three Libyan aircraft that landed here for refueling and repair while en route to Nicaragua with a shipment of weapons.

But, as evidence that the incident has been forgotten, Brazil's navy minister, Admiral Alfredo Karam, paid an official visit to Tripoli last week with a view to new arms contracts.

The first of 120 Tucano aircraft destined for the Egyptian Air Force also came off the production line last week at the Embraer factory in São José dos Campos, outside São Paulo. Egyptian technicians are being trained there before completion of an assembly plant outside Cairo, where all but five planes in the order will eventually be built.

Brazil's interest in selling military equipment to the Middle East increased after the two oil price "shocks" of the 1970s, since it needed to increase exports to compensate for oil purchases from Iraq, Saudi Arabia, Libya and other Middle East nations.

Australian Leader Hurt at Cricket

Canberra—Prime Minister Bob Hawke of Australia was rushed to hospital Sunday after being hit in the face by a cricket ball while playing against a press team.

Mr. Hawke attempted to hit a delivery from a Melbourne Herald correspondent, Garry O'Neill, but he deflected the ball onto his face, smashing his glasses, and fell to the ground clutching his head.

He was taken to hospital for eye checks but was later allowed to leave. The accident left him badly grazed under an eye.

Mr. Hawke, a leader with a 70 per cent popularity rating, had taken the day off to relax before embarking on his campaign for general elections Dec. 1 in which his Labor government appears certain to be re-elected.

General Reportedly Missing

A Saudi Arabian general visiting Brazil as part of the arms-buying mission has been reported missing after he failed to return to his entourage in Rio for a flight home.

The Associated Press, quoting local news reports, said Saturday that the disappearance of General Mohammed Khalifa, 62, was announced Friday by the Brazilian Foreign Ministry, but the reports could not be immediately confirmed.

A federal policeman who refused to give his name said police were trying to locate the general, but added: "This is not the same as saying that he has been assaulted or kidnapped." News reports said the general was last seen Thursday at his Rio beachfront hotel.

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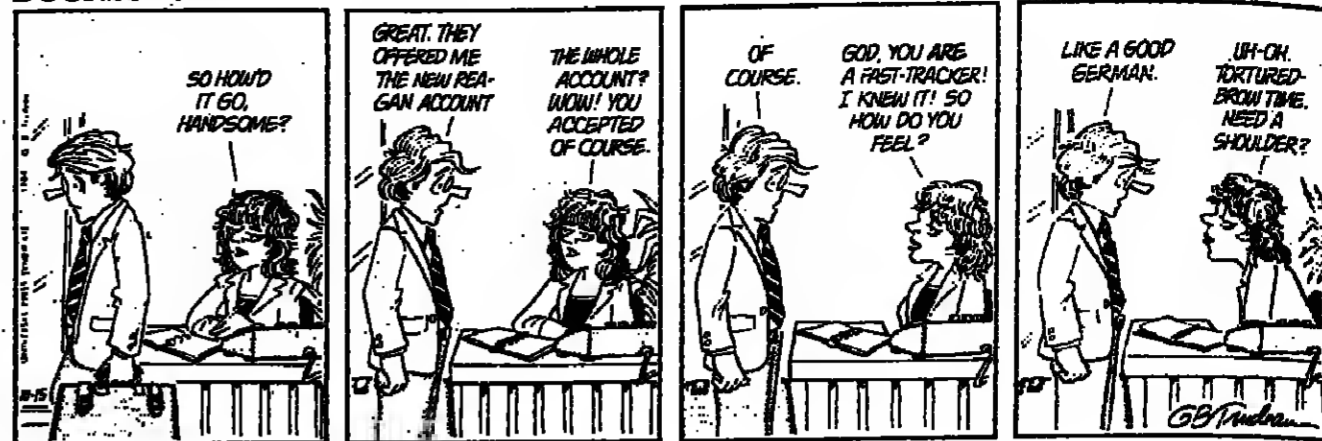
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DOONESBURY



Pope Declines 'Colonialism' in Americas

By Don A. Schanche
Los Angeles Times Service

SAN JUAN, Puerto Rico — Pope John Paul II has concluded his quick visit to the Dominican Republic and Puerto Rico with a diagnosis of the ailments of Latin America and his own religious prescription for their cure.

Reaching a library of regional ills in his two-day visit ending Friday, he warned Latin Americans to resist the economic and psychological neo-colonialism of "foreign powers." They make the Latin nations "maneuvering grounds for their own personal strategies," he said.

The pontiff also cited the Third World debt crisis as a potential source of "social paralysis" that threatens to freeze the Latin countries in an underdeveloped state.

John Paul concluded his 70-hour trip in San Juan after stops in Spain and the Dominican Republic.

There he helped more than 100 Roman Catholic bishops from Latin America inaugurate a nine-year period of church activities leading up to the 500th anniversary of the discovery and evangelization of the Americas.

After a 25-hour overnight visit to Santo Domingo, the Dominican capital, the pontiff was met on his arrival at San Juan International Airport by Secretary of State George P. Shultz of the United States. The two men parted without a private meeting after a brief formal ceremony.

There had been speculation that the two would talk privately about the prospects for peace in Central America. Shortly before the pontiff left Santo Domingo, he had met privately with the foreign ministers of Venezuela and Colombia. The two countries are members of the so-called Contadora Group, which is trying to arrange a Central American peace treaty.

The pope said while returning

Saturday to Rome that he had "received the text only" of the Contadora peace proposal and had not had any substantive discussion with the foreign ministers. The Associated Press reported.

Addressing the Latin American bishops conference during a Friday morning prayer service in Santo Domingo, the pontiff defined the region's problems in both religious and social terms. He complained of "public corruption, armed conflicts, the enormous expenditures to create death and out progress, the lack of ethical behavior in so many areas."

He also warned of "a new form of colonialism in the Latin American nations, dominating their life potentials through use of contraceptives, sterilization and liberalization of abortions and hoping for the disunity, lack of stability and disruption of the family."

The solution to the region's spiritual and social problems, the pontiff told the bishops, lies in more vigorous Roman Catholic evangelization. This should occur particularly during what he is calling the "novena" of years, or nine years, leading up to the 500th anniversary of the church's beginning in the Americas.

But, as he has in the past, the pope cautioned the churchmen to be wary of too direct an involvement in politics.



Pope John Paul II and Secretary of State George P. Shultz during the arrival ceremonies at the San Juan airport.

Ready for Cuban Invitation

Pope John Paul II indicated Saturday he was ready to visit Cuba as soon as the Communist government there sent him an invitation. The Associated Press reported from Rome.

On his plane returning to Rome, the pope was asked about several unscheduled events involving Cuba during his trip.

The pope met five Cuban bishops who were allowed to leave their country to attend the Latin American bishops meeting in the Dominican Republic. He later spoke warmly about his "brothers" during lengthy impromptu remarks on Friday night during the open-air Mass in Puerto Rico.

The Vatican has diplomatic relations with Cuba, but Catholicism has been on the wane for the past

two decades in the Communist island nation.

"I am ready to go everywhere," the pope said. "In the case of Cuba the invitation is missing."

The pope said: "I will go as soon as I can. The answer is implicit in the warmth with which I spoke with these far brothers."

Mexico Says Treaty Must Be Revised

By Juan M. Vasquez
Los Angeles Times Service

MEXICO CITY — Foreign Minister Bernardo Sepúlveda Amor of Mexico has said that the proposed peace treaty for Central America will have to be revised to meet the objections of the countries of the region.

Mr. Sepúlveda said Friday that the five Central American countries have already communicated their "observations" on how to improve the treaty to the sponsors of the peace initiative.

"We have to review these observations and, in light of them, make the adjustments," Mr. Sepúlveda said.

Mr. Sepúlveda's comments were the most explicit acknowledgment by a senior diplomat from one of the countries sponsoring the peace treaty that it was not ready to be signed. The sponsors are Colombia, Mexico, Panama and Venezuela, the so-called Contadora Group.

Early last month, the foreign ministers of the group finished what they termed a final draft of the treaty and turned it over to the



Bernardo Sepúlveda Amor, Mexican Foreign Minister, is seen here.

The treaty would oblige each country to remove foreign military advisers, to close foreign military bases and take other steps to lower the level of conflict.

The United States has registered strong objections, saying that verification provisions of the treaty were not strong enough to guarantee that the signatories, particularly Nicaragua, lived up to its provisions.

The United States and its Central American allies say that the treaty draft is not sufficiently explicit on verification procedures or on ways to prove that violations have taken place. The treaty creates a panel to monitor activities in the region, but there is no explicit authorization for it to conduct on-site inspections, a diplomat said.

Diplomatic sources said other provisions causing objections include those intended to curtail the Central American arms race. An immediate freeze on arms levels would be imposed by the treaty, but a limit on the size of each nation's arsenal was left for subsequent negotiations.

Victor Bergeron, Of 'Trader Vic's' Restaurants, Dies

New York Times Service

NEW YORK — Victor Jules Bergeron, 81, the San Francisco restaurateur who started with a beer-and-beans parlor 50 years ago and developed a multimillion-dollar chain of "Trader Vic's" restaurants, died Thursday in Hillsborough, California.

Mr. Bergeron, the son of a French-Canadian waiter and grocery store operator in San Francisco, founded a series of food products and wholesale distribution businesses grossing nearly \$50 million a year. There are 21 "Trader Vic's" restaurants in the United States and in London, Munich, Tokyo and Singapore.

In Oakland, California, in 1934, Mr. Bergeron opened the beer parlor and luncheonette that became "Trader Vic's." Its South Pacific theme aimed to provide "complete escape and relaxation," and it offered such exotic drinks as the Scorpion, the Queen's Park Swizzle and the Doctor Funk of Tahiti.

Other deaths:

Thomas Eugene Cadell, 76, psychologist and author of the prison biography "Birdman of Alcatraz," Wednesday of cancer in Portland, Oregon.

Joan Young, 81, a favorite actress of the Allied troops during World War II, Tuesday in London.

Jerome A. "Jerry" Smith, 67, philanthropist and owner of one of the world's largest private antique toy collections, of a respiratory ailment, in Kansas City, Missouri.

Libyan Charged in London in Bomb Plot

The Associated Press

LONDON — A Libyan national was charged with conspiring to cause explosions in London in March, Scotland Yard announced.

Saleh Ramadan Saleh, 28, who lived in Cardiff, Wales, will appear at Lambeth Magistrates Court in London Monday. He was charged

Saturday with conspiring in March with Ali Ahmed Mustafa and Ali el-Giahour to cause explosions.

Mr. el-Giahour was murdered in August while free on bail. No one has been charged in his death.

Scotland Yard said another man, arrested Thursday in Birmingham, was being questioned about the

shooting of a woman police constable outside the Libyan Embassy in London in April.

Five explosions went off around London on March 9 in what police said appeared to be a campaign against opponents of the Libyan government.

INTERNATIONAL EXECUTIVE POSITIONS

Published every Monday, this is a compilation of senior positions published in the INTERNATIONAL HERALD TRIBUNE and other selected publications. Comments concerning this feature can be addressed to Max Ferrero in Paris.

POSITION	SALARY	EMPLOYER	LOCAT.	QUALIFICATIONS	CONTACT	Source
CHIEF DE PRODUIT EUROPE		Material medica- chirurgica	Geneve France	Pharmacien en exercice, 2 à 3 ans exp. comme chef de produit dans industrie pharmaceutique; Fr. Ang. +.	Becton Dickinson, 5 Chemin des Sources, 38240 Meylan Grenoble.	L'Express 5-10-84
EDITOR		Leading Int'l Paper Industry Magazine	Brussels	Proven journalist & editorial skills in Eng- lish; fluency in French, Italian, Spanish; Eng- + Fr., Ger. or Span.	T. Maffei, PPI, 1226 Ch. de Charente, Box 8, 1060 Brussels, Tel: 2-530.6040.	L.I.T. 8-10-84
CHIEF		Int'l Org. (Division of Acq. & Computer Operations)	Rome	Min. exp. in bus. admin. or qual. as electronic specialist; exp. in acq. sys.; Eng. + Fr.	Cipher T 11-110457, Publications, CE-1211 Geneva 3.	L.I.T. 8-10-84
CADRE COMMERCIAL INTERNATIONAL		Organisation de vente.	Nord de la France	Homme de terrain; experience recente dans la vente; Fr., Ang. Al.	Ref. 110-01, Collection Internationale, 27500, Rue de Bellevue, 58110 La Madeleine, France.	Le Point 8-10-84
BUSINESS OPERATIONS ADMINISTRATOR	FX 350,000 +	High-Tech/Information.	For Southern Europe	Ingénieur + Directeur; Fr., Ang., esp. gestion/commercial int. 10 ans dans industries a/haut tech. de pointe.	Ref. 1773, Ernst & Young Conseil, 150 Rd. Cassanese, 75000 Paris.	Le Point 8-10-84
MANAGER NEWS PICTURES OPERATIONS		The European Press Photo Index Co.	Frankfurt	Exp. news photo-editor with managerial qualities; international working for an Int'l org.; Eng. + Fr. & Ger.	Mrs. Patricia Soggetti, DPA, c/o Leifelders Str., Ludwigstrasse 6-8, D-50130 Köln 13.	L.I.T. 11-10-84
DIRECTION COMMERCIALE INTERNATIONALE		Industries (Automatisme électrique).	Genève, Paris Suisse	Ingénieur Anglo-suisse; dipl. management; exp. 10 ans, int. 5-6 ans exp. commerce Int'l dans l'industrie.	Ref. 133 E. 80A, 65 Ave. Victor Hugo, 75116 Paris.	L.I.T. 11-10-84
SYSTEMS ANALYST		Business	Vienna Austria	5 yrs. exp. exp. in Military standard Supply or Field Maintenance Control Systems; Exp. ERP project mgt.	Digital, IBM, Visual Corp., 18200 Redwood St., Suite 100, Fairfax, VA 22030, U.S.A.	L.I.T. 11-10-84

INTERNATIONAL MANAGEMENT

1
NUMBER

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*1984 European Businessman Readership Survey; Research Services Ltd.

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The 1984 Herald Tribune Audience Survey

Dear Reader,

In June of this year we published in the paper a full page questionnaire which we asked you to fill out and return to us. We explained then that the information gathered by such research helps us in the development of our newspaper and its advertising markets. I am pleased to say that there was an exceptional response to this request with nearly 12,000 questionnaires returned for analysis to Research Services Ltd., an independent research group. Our thanks to all of you who returned a questionnaire for the time and trouble which you took.

As we have done in the past, we are printing here the results of this research, with the hope that they will be of interest to you.

As we promised, a charitable donation of \$1 was made for each questionnaire returned: this was done in accord with respondent preference so that CANCER RESEARCH received \$5,639, UNICEF \$2,909 and The RED CROSS \$3,176.

With our warmest thanks,


Lee HUEBNER
Publisher

Your Reading

1. Where did you obtain this copy of the newspaper?

Postal subscription: At home	16	Hotel delivered	4
Postal subscription: At work	14	Bought at newsstand	38
Home delivered	6	Airplane	10
Office delivered	10	Elsewhere	2

2. How often do you usually read or look at the International Herald Tribune?

5-6 days a week	56	Less often than once a week	6
3-4 days a week	13	First time reader	1
1-2 days a week	9	Only see when traveling	15

3. How many other people (including household and/or business colleagues) usually read your copy of the IHT?

One	35	Four or more	8
Two	18	No-one else	25
Three	9	More than one, but don't know how many	5

International Communications & Travel

4. Approximately how many times in the last month in your business or professional capacity have you...

Made or received any international telephone calls:	
None	15
Once	9
2-4 times	24
5-10 times	11
11+ times	41
Made or received telephone calls to/from North America:	
None	32
Once	17
2-4 times	23
5-10 times	8
11+ times	20
Sent or received international telexes or facsimiles:	
None	32
Once	8
2-4 times	12
5-10 times	8
11+ times	40
Freighted or couriered documents internationally:	
None	41
Once	15
2-4 times	19
5-10 times	8
11+ times	17

5. Approximately how many business air trips have you taken during the last 12 months?

None	18	1-5	32	6-11	19	12-24	16	25+	15
------	----	-----	----	------	----	-------	----	-----	----

6. Which of the following destinations have you flown to on business in the last 12 months?

Australia/N.Z.	7	U.S.A. East Coast	53	Singapore	14
Rep. South Africa	4	U.S.A. West Coast	29	Hong Kong	16
Africa	13	Other U.S.A.	30	Other S.E. Asia	19
Central/S. America	8	European countries	81	Gulf States	9
Canada	12	Japan	13	Saudi Arabia	7
Any other destinations	5	Other Arab States	8		

Base: All business air travellers.

7. Which class of air travel do you normally use on business trips a) for long trips (over four hours) and b) for short trips (up to four hours)?

	Long trips (4+ hours)	Short trips (under 4 hours)
First class	21	8
Business class or equivalent	46	35
Full fare economy	26	49
Other	7	8

Base: All business air travellers.

Your Business Life

8. Do you work in an establishment employing five people or more?

Yes 79 Go to Q. 9 No 21

If no, are you...

Retired	5	Housewife	1
Student	3	Other	1

9. How many people are there in the establishment in which you work, including yourself? (By establishment we mean the whole of the premises under the same ownership or management at a particular address).

5-9	11	100-999	31
10-49	23	1,000-4,999	14
50-99	12	5,000+	9

Base: Employed in establishment 5+ employees.

10. What is your company's principal activity?

Agriculture/Forestry/Fisheries/Mining	3	Banking	9
Oil Industries	8	Insurance	2
Engineering/Construction	8	Stockbroking/Investments	3
Computers/Data Processing	5	Management Consultancy/Accounting Services	3
Consumer Goods Manufact.	5	Other Financial Services	2
Other Manufacturing	10	Advertising/PR/Publishing/Broadcasting	6
Public Utilities	1	Legal or Medical Services	4
Distribution, Wholesale/Retail, Imports/Exports	8	Education	9
Transportation/Tourism	5	Arts, Entertainment	2
Government/Civil Service	9	Other Business or Professional Services	4
Armed Forces/Police	2	Other	6

Base: Employed in establishment 5+ employees.

11. What is your job title or position?

Proprietor/Partner	9	Middle Management	22
Chairman/President	6	Executive Staff	11
Managing Director	12	Clerical	2
Senior Management	23	Other	15

Base: Employed in establishment 5+ employees.

12a. In which, if any, of these financial areas are you wholly or partly responsible for company decision-making? (Check all which apply).

Domestic Banking Relations	24	Portfolio/Pension Fund Management	10
International Banking Relations	22	Money Market/Foreign Exchange Management	15
Corporate Finance/Development	22	Insurance Services	13
		None of these	56

Base: Employed in establishment 5+ employees.

12b. For which of the following goods and services are you part of the Management team which is usually responsible for company decision-making? (For each category listed, check level of involvement).

Computer and Office Equipment	Responsible
Computers: Main frame (\$25,000+)	14
Minis (\$10,000-25,000)	18
Micros (under \$10,000)	27
Other Terminals	20
Software purchase/Bureau selection	28
Office Photocopiers	27
Facsimile Equipment	16
Word Processors	28
Telephone Systems/Switchboards	25
Network Systems	12
Other Telecommunication Equip.	18
Goods and Services	
Company Cars	27
Aircraft and related equipment	4
Business Premises/Industrial Site Selection	24
Plant/Plant equipment	20
Scientific instruments	14
Conference, Exhibition/Trade Fair Services	26
Advertising/Marketing Services	32
Executive Recruitment	34

Base: Employed in establishment 5+ employees.

13. Do you have responsibility for the policies or operations of your company outside the country in which you are currently based?

Yes 48 No 40 Company only operating in one country 12

Base: Employed in establishment 5+ employees.

About You ...

14a. In which country are you currently resident?

Europe	67	Africa	3
USA	12	S.E. Asia	9
Canada	1	Japan	1
Middle East	4	Other	3

14b. Of which country are you a citizen?

Belgium	2	USA	47
British Isles	10	Canada	3
France	7	Middle East	2
Germany/Austria	6	S.E. Asia	2
Italy	2	Japan	1
Netherlands	4	Other	5
Scandinavia	3		
Switzerland	3		
Other Europe	3		
Total Europe	40		

14c. How long have you been living in your present country of residence?

Less than six months 6 6-12 months 10 1-5 years 28 More than 5 years 56

15. Are you ...

Male 85 Female 15

16. What is your age?

Under 25	5	35-44	30	55-64	16
25-34	20	45-54	23	65 or over	6

17. Which educational level have you obtained?

Doctorate/Higher university degree	40
University degree/equivalent professional qualification	48
Secondary or High School	12

... And Your Household

18. How many adults and children, including yourself, are in your household?

One 21 Two 32 Three 15 Four or more 32

19. How many cars are there in your household (including company-owned cars)?

None 11 One 38 Two 37 Three or more 14

20. How many times have you/members of your household made/received personal international telephone calls in the last month?

	None	Once	2-4 times	5-10 times	11+ times
All international calls	11	6	28	26	29
To/from North America	30	10	31	16	13

21. Which of the following do you or members of your household own?

Stocks & Shares (excluding Government securities)	67	Collectables: antiques, paintings, coins, stamps, etc.	55
Stock Options	15	Gold	29
Commodities	6	Other precious metals/gems	23
Currency Options	5	Main home	62
Eurobonds	8	Second home	29
Corporate Bonds	12	Other land/Real Estate	35
US Municipal Bonds	10	None of these	5
Other Bonds	17		
Mutual Funds/Unit Trusts	28		

22. Which if any of these cards do you use nowadays?

Access/Mastercard	29	Barclaycard	9	Diners Club	19
Eurocard	12	Carte Bleue	8	ATC (Air Travel Card)	10
American Express Gold	16	Visa Gold	5	None of these	12
American Express	50	Visa	44		

23a. Into which of the following groups does your household annual income before tax from all sources fall? (Check in US\$ or write in your own currency).

Up to \$25,000	13	\$100,000 to under \$149,999	12
\$25,000 to under \$49,999	25	\$150,000 to under \$199,999	4
\$50,000 to under \$74,999	22	\$200,000 to under \$249,999	2
\$75,000 to under \$99,999	15	\$250,000+	4
		No answer	3



International Bond Prices - Week of Oct. 11

Provided by White Weld Securities, London, Tel.: 623-1277; a Division of Financial Credit Suisse-First Boston
Prices may vary according to market conditions and other factors.

RECENT ISSUES

Ant	Security	%	Mat	Price	Yld	Cur
100	United Technology	7 1/2	10/15/85	100.00	7.50	US
100	United Technology	7 1/2	10/15/85	100.00	7.50	US
100	United Technology	7 1/2	10/15/85	100.00	7.50	US
100	United Technology	7 1/2	10/15/85	100.00	7.50	US
100	United Technology	7 1/2	10/15/85	100.00	7.50	US

STRAIGHT BONDS

All Currencies Except DM

Ant	Security	%	Mat	Price	Yld	Cur
100	Australia	10 1/2	10/15/85	100.00	10.50	AU
100	Australia	10 1/2	10/15/85	100.00	10.50	AU
100	Australia	10 1/2	10/15/85	100.00	10.50	AU
100	Australia	10 1/2	10/15/85	100.00	10.50	AU
100	Australia	10 1/2	10/15/85	100.00	10.50	AU

Ant	Security	%	Mat	Price	Yld	Cur
100	Austria	10 1/2	10/15/85	100.00	10.50	AT
100	Austria	10 1/2	10/15/85	100.00	10.50	AT
100	Austria	10 1/2	10/15/85	100.00	10.50	AT
100	Austria	10 1/2	10/15/85	100.00	10.50	AT
100	Austria	10 1/2	10/15/85	100.00	10.50	AT

Ant	Security	%	Mat	Price	Yld	Cur
100	Belgium	10 1/2	10/15/85	100.00	10.50	BE
100	Belgium	10 1/2	10/15/85	100.00	10.50	BE
100	Belgium	10 1/2	10/15/85	100.00	10.50	BE
100	Belgium	10 1/2	10/15/85	100.00	10.50	BE
100	Belgium	10 1/2	10/15/85	100.00	10.50	BE

Ant	Security	%	Mat	Price	Yld	Cur
100	Canada	10 1/2	10/15/85	100.00	10.50	CA
100	Canada	10 1/2	10/15/85	100.00	10.50	CA
100	Canada	10 1/2	10/15/85	100.00	10.50	CA
100	Canada	10 1/2	10/15/85	100.00	10.50	CA
100	Canada	10 1/2	10/15/85	100.00	10.50	CA

Ant	Security	%	Mat	Price	Yld	Cur
100	Denmark	10 1/2	10/15/85	100.00	10.50	DK
100	Denmark	10 1/2	10/15/85	100.00	10.50	DK
100	Denmark	10 1/2	10/15/85	100.00	10.50	DK
100	Denmark	10 1/2	10/15/85	100.00	10.50	DK
100	Denmark	10 1/2	10/15/85	100.00	10.50	DK

Ant	Security	%	Mat	Price	Yld	Cur
100	Finland	10 1/2	10/15/85	100.00	10.50	FI
100	Finland	10 1/2	10/15/85	100.00	10.50	FI
100	Finland	10 1/2	10/15/85	100.00	10.50	FI
100	Finland	10 1/2	10/15/85	100.00	10.50	FI
100	Finland	10 1/2	10/15/85	100.00	10.50	FI

Ant	Security	%	Mat	Price	Yld	Cur
100	France	10 1/2	10/15/85	100.00	10.50	FR
100	France	10 1/2	10/15/85	100.00	10.50	FR
100	France	10 1/2	10/15/85	100.00	10.50	FR
100	France	10 1/2	10/15/85	100.00	10.50	FR
100	France	10 1/2	10/15/85	100.00	10.50	FR

Ant	Security	%	Mat	Price	Yld	Cur
100	Germany	10 1/2	10/15/85	100.00	10.50	DE
100	Germany	10 1/2	10/15/85	100.00	10.50	DE
100	Germany	10 1/2	10/15/85	100.00	10.50	DE
100	Germany	10 1/2	10/15/85	100.00	10.50	DE
100	Germany	10 1/2	10/15/85	100.00	10.50	DE

Ant	Security	%	Mat	Price	Yld	Cur
100	Greece	10 1/2	10/15/85	100.00	10.50	GR
100	Greece	10 1/2	10/15/85	100.00	10.50	GR
100	Greece	10 1/2	10/15/85	100.00	10.50	GR
100	Greece	10 1/2	10/15/85	100.00	10.50	GR
100	Greece	10 1/2	10/15/85	100.00	10.50	GR

Ant	Security	%	Mat	Price	Yld	Cur
100	Ireland	10 1/2	10/15/85	100.00	10.50	IE
100	Ireland	10 1/2	10/15/85	100.00	10.50	IE
100	Ireland	10 1/2	10/15/85	100.00	10.50	IE
100	Ireland	10 1/2	10/15/85	100.00	10.50	IE
100	Ireland	10 1/2	10/15/85	100.00	10.50	IE

Ant	Security	%	Mat	Price	Yld	Cur
100	Italy	10 1/2	10/15/85	100.00	10.50	IT
100	Italy	10 1/2	10/15/85	100.00	10.50	IT
100	Italy	10 1/2	10/15/85	100.00	10.50	IT
100	Italy	10 1/2	10/15/85	100.00	10.50	IT
100	Italy	10 1/2	10/15/85	100.00	10.50	IT

Ant	Security	%	Mat	Price	Yld	Cur
100	Japan	10 1/2	10/15/85	100.00	10.50	JP
100	Japan	10 1/2	10/15/85	100.00	10.50	JP
100	Japan	10 1/2	10/15/85	100.00	10.50	JP
100	Japan	10 1/2	10/15/85	100.00	10.50	JP
100	Japan	10 1/2	10/15/85	100.00	10.50	JP

Ant	Security	%	Mat	Price	Yld	Cur
100	Luxembourg	10 1/2	10/15/85	100.00	10.50	LU
100	Luxembourg	10 1/2	10/15/85	100.00	10.50	LU
100	Luxembourg	10 1/2	10/15/85	100.00	10.50	LU
100	Luxembourg	10 1/2	10/15/85	100.00	10.50	LU
100	Luxembourg	10 1/2	10/15/85	100.00	10.50	LU

Ant	Security	%	Mat	Price	Yld	Cur
100	Mexico	10 1/2	10/15/85	100.00	10.50	MX
100	Mexico	10 1/2	10/15/85	100.00	10.50	MX
100	Mexico	10 1/2	10/15/85	100.00	10.50	MX
100	Mexico	10 1/2	10/15/85	100.00	10.50	MX
100	Mexico	10 1/2	10/15/85	100.00	10.50	MX

Ant	Security	%	Mat	Price	Yld	Cur
100	Netherlands	10 1/2	10/15/85	100.00	10.50	NL
100	Netherlands	10 1/2	10/15/85	100.00	10.50	NL
100	Netherlands	10 1/2	10/15/85	100.00	10.50	NL
100	Netherlands	10 1/2	10/15/85	100.00	10.50	NL
100	Netherlands	10 1/2	10/15/85	100.00	10.50	NL

Ant	Security	%	Mat	Price	Yld	Cur
100	New Zealand	10 1/2	10/15/85	100.00	10.50	NZ
100	New Zealand	10 1/2	10/15/85	100.00	10.50	NZ
100	New Zealand	10 1/2	10/15/85	100.00	10.50	NZ
100	New Zealand	10 1/2	10/15/85	100.00	10.50	NZ
100	New Zealand	10 1/2	10/15/85	100.00	10.50	NZ

Ant	Security	%	Mat	Price	Yld	Cur
100	Norway	10 1/2	10/15/85	100.00	10.50	NO
100	Norway	10 1/2	10/15/85	100.00	10.50	NO
100	Norway	10 1/2	10/15/85	100.00	10.50	NO
100	Norway	10 1/2	10/15/85	100.00	10.50	NO
100	Norway	10 1/2	10/15/85	100.00	10.50	NO

Ant	Security	%	Mat	Price	Yld	Cur
100	Portugal	10 1/2	10/15/85	100.00	10.50	PT
100	Portugal	10 1/2	10/15/85	100.00	10.50	PT
100	Portugal	10 1/2	10/15/85	100.00	10.50	PT
100	Portugal	10 1/2	10/15/85	100.00	10.50	PT
100	Portugal	10 1/2	10/15/85	100.00	10.50	PT

Ant	Security	%	Mat	Price	Yld	Cur
100	South Africa	10 1/2	10/15/85	100.00	10.50	ZA
100	South Africa	10 1/2	10/15/85	100.00	10.50	ZA
100	South Africa	10 1/2	10/15/85	100.00	10.50	ZA
100	South Africa	10 1/2	10/15/85	100.00	10.50	ZA
100	South Africa	10 1/2	10/15/85	100.00	10.50	ZA

Ant	Security	%	Mat	Price	Yld	Cur
100	Spain	10 1/2	10/15/85	100.00	10.50	ES
100	Spain	10 1/2	10/15/85	100.00	10.50	ES
100	Spain	10 1/2	10/15/85	100.00	10.50	ES
100	Spain	10 1/2	10/15/85	100.00	10.50	ES
100	Spain	10 1/2	10/15/85	100.00	10.50	ES

Ant	Security	%	Mat	Price	Yld	Cur
100	Sweden	10 1/2	10/15/85	100.00	10.50	SE
100	Sweden	10 1/2	10/15/85	100.00	10.50	SE
100	Sweden	10 1/2	10/15/85	100.00	10.50	SE
100	Sweden	10 1/2	10/15/85	100.00	10.50	SE
100	Sweden	10 1/2	10/15/85	100.00	10.50	SE

Ant	Security	%	Mat	Price	Yld	Cur
100	Switzerland	10 1/2	10/15/85	100.00	10.50	CH
100	Switzerland	10 1/2	10/15/85	100.00	10.50	CH
100	Switzerland	10 1/2	10/15/85	100.00	10.50	CH
100	Switzerland	10 1/2	10/15/85	100.00	10.50	CH
100	Switzerland	10 1/2	10/15/85	100.00	10.50	CH

Ant	Security	%	Mat	Price	Yld	Cur
100	United Kingdom	10 1/2	10/15/85	100.00	10.50	GB
100	United Kingdom	10 1/2	10/15/85	100.00	10.50	GB
100	United Kingdom	10 1/2	10/15/85	100.00	10.50	GB
100	United Kingdom	10 1/2	10/15/85	100.00	10.50	GB
100	United Kingdom	10 1/2	10/15/85	100.00	10.50	GB

Ant	Security	%	Mat	Price	Yld	Cur
100	United States	10 1/2	10/15/85	100.00	10.50	US
100	United States	10 1/2	10/15/85	100.00	10.50	US
100	United States	10 1/2	10/15/85	100.00	10.50	US
100	United States	10 1/2	10/15/85	100.00	10.50	US
100	United States	10 1/2	10/15/85	100.00	10.50	US

Ant	Security	%	Mat	Price	Yld	Cur
100	West Germany	10 1/2	10/15/85	100.00	10.50	DE
100	West Germany	10 1/2	10/15/85	100.00	10.50	DE
100	West Germany	10 1/2	10/15/85	100.00	10.50	DE
100	West Germany	10 1/2	10/15/85	100.00	10.50	DE
100	West Germany	10 1/2	10/15/85	100.00	10.50	DE

Ant	Security	%	Mat	Price	Yld	Cur
100	France	10 1/2	10/15/85	100.00	10.50	FR
100	France	10 1/2	10/15/85	100.00	10.50	FR
100	France	10 1/2	10/15/85	100.00	10.50	FR
100	France	10 1/2	10/15/85	100.00	10.50	FR
100	France	10 1/2	10/15/85	100.00	10.50	FR

Ant	Security	%	Mat	Price	Yld	Cur
100	Unllevr NW	8 3/4	10/15	11.54	12.29	15.66

NEW ZEALAND						
100	New Zealand	10 1/2	10/15	14.28	14.28	14.28
100	New Zealand	10 1/2	10/15	12.28	12.28	12.28
100	New Zealand	10 1/2	10/15	12.28	12.28	12.28
100	New Zealand	10 1/2	10/15	12.28	12.28	12.28
100	New Zealand	10 1/2	10/15	12.28	12.28	12.28
100	New Zealand	10 1/2	10/15	12.28	12.28	12.28
100	New Zealand	10 1/2	10/15	12.28	12.28	12.28
100	New Zealand	10 1/2	10/15	12.28	12.28	12.28
100	New Zealand	10 1/2	10/15	12.28	12.28	12.28
100	New Zealand	10 1/2	10/15	12.28	12.28	12.28
100	New Zealand	10 1/2	10/15	12.28	12.28	12.28
100	New Zealand	10 1/2	10/15	12.28	12.28	12.28
100	New Zealand	10 1/2	10/15	12.28	12.28	12.28
100	New Zealand	10 1/2	10/15	12.28	12.28	12.28
100	New Zealand	10 1/2	10/15	12.28	12.28	12.28
100	New Zealand	10 1/2	10/15	12.28	12.28	12.28
100	New Zealand	10 1/2	10/15	12.28	12.28	12.28
100	New Zealand	10 1/2	10/15	12.28	12.28	12.28
100	New Zealand	10 1/2	10/15	12.28	12.28	12.28
100	New Zealand	10 1/2	10/15	12.28	12.28	12.28
100	New Zealand	10 1/2	10/15	12.28	12.28	12.28
100	New Zealand	10 1/2	10/15	12.28	12.28	12.28
100	New Zealand	10 1/2	10/15	12.28	12.28	12.28
100	New Zealand	10 1/2	10/15	12.28	12.28	12.28
100	New Zealand	10 1/2	10/15	12.28	12.28	12.28
100	New Zealand	10 1/2	10/15	12.28	12.28	12.28
100	New Zealand	10 1/2	10/15	12.28	12.28	12.28
100	New Zealand	10 1/2	10/15	12.28	12.28	12.28
100	New Zealand	10 1/2	10/15	12.28	12.28	12.28
100	New Zealand	10 1/2	10/15	12.28	12.28	12.28
100	New Zealand	10 1/2	10/15	12.28	12.28	12.28
100	New Zealand	10 1/2	10/15	12.28	12.28	12.28
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EUROBONDS

Advantages of Dollar Issues Is Not So Great, Study Says

By CARL GEWIRTZ

PARIS — How much would the dollar have to fall in the foreign exchange market to erase the advantage of the higher interest rates available on dollar Eurobonds? Not much, at least over the short term, says a study produced by Société Générale Strauss Turbault.

The report, called "Points of No Return," is the sixth in a series that have been issued irregularly since April 1978. The trading house defines points of no return as the level at which the exchange rate has to move to neutralize the difference in interest rates.

The new study, which used exchange rates prevailing Oct. 1, shows that over a two-year period, the dollar would have to decline 11.4 percent (from 3.0796 Deutsche marks on Oct. 1 to 2.7290 DM) before the interest-rate gap of nearly 6 percentage points in favor of the dollar was neutralized.

Over the same period, the study says, "the investor who wishes to diversify out of dollar bonds must be certain the dollar will fall 14 percent against the Swiss franc, 9 percent against the guilder and 12 percent against the yen."

Against sterling, the fall is a much smaller 2 percent. Moving out to a five-year horizon, and assuming that interest income is reinvested at rates currently prevailing, the exchange rate would have to move to neutralize the interest rate gap of 24 percent to 2.3471 DM, or 30 percent to 1.7877 Swiss francs or 24 percent to 187.55 yen.

Over a 15-year period, the required decline of the dollar more than doubles again: 52 percent to 1.469 DM, 63 percent to 0.9468 Swiss francs, 51 percent to 120.87 yen.

The critical assumption, of course, is the compounding rate of interest, which assumes that rates available in later years are comparable to those available today. This may or may not be a big assumption, depending on how one views the future. But the instrument exists to lock in that assumed reinvestment rate, zero-coupon bonds.

Zeros currently are believed to have limited appeal, to investors who for domestic tax reasons prefer reporting capital gains income rather than annual interest income. But when looked at from the Strauss Turbault study, zeros also offer a way for non-dollar investors to lock up yield protection against fluctuations in the foreign exchange rate.

Last week, for example, Exon sold to Merrill Lynch \$1.8 billion nominal amount of 20-year zeros. The amount actually raised was only \$200 million as Merrill paid Exon only 11.05 percent of the face value. Merrill set the resale price at 11.65, but the paper was changing hands at around 11.20.

The list of co-managers surprised the market, for while it included the anticipated Japanese securities firms it also contained a large number of West German banks as well as Swiss, French and Luxembourg banks.

European bankers say the major appeal of zeros (as well as warrants) is the low dollar cash outlay at a time when the dollar remains extremely strong on the foreign exchange market and unattractive to buy.

In the warrant market, Finnish Export Credit, Toronto Dominion Bank and Mitsubishi Finance each sold \$100 million of short-term notes with or bearing warrants (options), to buy seven-year bonds bearing coupons identical to those offered on the notes.

The underlying notes all traded at substantial discounts because the coupons in today's market are not deemed attractive. But the small outlay for the relatively long-dated options made that paper appealing.

The FEC warrants, to buy 12 1/2-percent bonds, were initially valued at \$32.50 but ended the week at \$38. Mitsubishi's warrants, to buy 12 1/2 percent securities, were offered at \$33 and ended the week at \$38.50. The difference between the two is the

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Bank Bid On Debts Rejected

Extension Given By Mexico Court

By Gordon Mott

MEXICO CITY — A Mexican court has ruled that Cerveceria Moctezuma, one of Mexico's largest breweries, must be allowed to repay its debt to foreign banks over the next three years.

The ruling ended, at least temporarily, an attempt by the foreign banks, led by Bank of America and Chase Manhattan, to force the immediate repayment by the beer company of debts totaling more than \$340 million.

And it averted what would have been the first bankruptcy in the renegotiation of a number of private-sector debts with foreign banks.

There was no official reaction from the foreign banking community here, which has refused to comment on the case. However, one frustrated banker said, "There's no way that the company can pay in three years in pesos, yen or monopoly money."

Mexican government officials said they are worried that the Cerveceria Moctezuma situation will impair other private-sector debt renegotiations.

One official described the Cerveceria situation as "lamentable" because "we've had similar situations that have been resolved through negotiations."

A number of Mexican companies are still involved in debt renegotiations. Monterrey-based Visa is the biggest so far to complete a restructured debt package.

The court ruling, issued last Tuesday, accepted the validity of the "suspension of payments" order that had been sought by Cerveceria Moctezuma. Under Mexican law, this frees the company of debt payments — and bars further accumulation of interest — until a new agreement can be reached with the banks.

The judge also ruled that Cerveceria Moctezuma can repay its dollar debts in pesos.

"In my judgment," the judge said, "the company is viable and the situation could be resolved through negotiation."

Cerveceria Moctezuma, the maker of Superior and Dos Equis beer, has been in trouble since 1982, when it found itself unable to pay off dollar debts incurred before Mexico's currency was devalued in several stages by a total of more than 85 percent.

The devaluations increased by five or six times the debt servicing costs of the company, which has made no payments on interest or principal since late 1982.

Cerveceria Moctezuma is owned by Alberto Bailleres, one of Mexico's most prominent industrialists.

Unlike other restructuring talks between private companies and foreign lenders, those involving Cerveceria Moctezuma have been troubled from the beginning.

At one point, Northwestern Bank of Minneapolis was threatening to demand full payment of its \$6-million loan to a distribution company owned by Cerveceria Moctezuma, which would have thrown the company into bankruptcy. A court hearing on the issue was postponed indefinitely.

Cerveceria Moctezuma officials say they do not understand the banks' attempts to put the company into bankruptcy.

"We are a viable company with a serious debt problem," said Augustin Aguilar Barona, a company spokesman. "With a good restructuring plan, the problems could be solved."

Another move to pare costs, he said, it would lay off 795 employees in telecommunications plants in the United States, and make further cuts at the headquarters in New York and at the European headquarters in Brussels.

Analysts, who praised the reduction, said it also appeared to be a response to tougher competition throughout the technology industry.

ITT said Friday that the cuts reflected sluggish demand for personal and business telephones and a glut of foreign competition. The move follows ITT's decision in July to halve its quarterly dividend and

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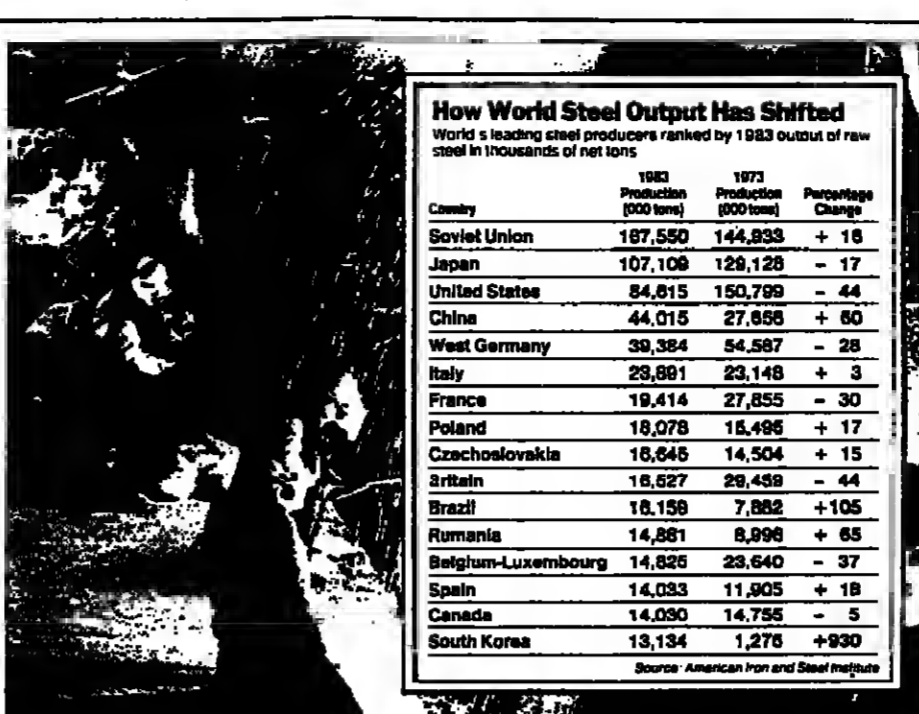
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Steelworkers at an Arco plant in Middletown, Ohio.

Steelmakers Look Past Low Prices, Overcapacity to See Cause for Hope

By Steven Greenhouse

CHICAGO — For several years, the world's steelmakers have felt that they were in a bottomless pit, dug by excess capacity and deepened by falling demand. But the dozens of steel executives who assembled here last week for the annual conference of the International Iron and Steel Institute seemed to feel they had reached bottom and were coming up again.

Steelmakers are still plagued by worldwide overcapacity, which is depressing prices and decimating profits, and are concerned about protectionist pressures. But there was a distinct note of optimism at the gathering, which included steelmakers both from developing and industrialized nations.

"I think we will find not too far away a new balance between supply and demand," said Jacques P. Michel, associate director-general of Usinor, France's largest steelmaker. An optimistic estimate of when that will occur, he said, was "in just two or three years."

Steelmakers here said they were more encouraged than they had been since the 1982 recession, which caused steel demand to plummet. They said they were heartened that global demand was picking up and that steelmakers around the world were finally taking substantial steps to get capacity in line with demand.

They expressed guarded relief that the Reagan administration had rejected the U.S. industry's demand for a quota to limit imports to 15 percent of the market, and instead promised to negotiate agreements to limit imports to 18.5 percent. Many

executives predicted that protectionist pressures would subside as supply and demand came more closely into balance.

Still, the manufacturers agreed that their problems were far from over. Several executives said the industry would be awash in overcapacity for another decade.

"There's about 200 million more tons of capacity worldwide than we need," said E. Bradley Jones, chairman of LTV Steel, the company formed by the merger of Republic Steel Corp. with Jones & Laughlin Steel.

He and most other executives here agreed that even though the industry had closed mills with more than 50 million tons of capacity in the last five years, more difficult cuts lay ahead. Many said another 15 percent of worldwide capacity had to be cut, largely by closing older plants in the United States and Europe.

According to the steel institute, the developing and industrial nations in the non-Communist world have a steelmaking capacity of about 640 million metric tons. The institute projects that steel demand will be just 438 million tons this year, 441 million next year and 467 million in 1995.

The institute's secretariat said capacity had to be reduced by between 30 million and 70 million metric tons by 1990 to help bring supply and demand into balance.

"People have to close down capacity," said Lenhard J. Holschuh, the secretary-general of the institute, which is the trade association of the industrial world's steelmakers. "Everyone has to

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Study Predicts Rise in Spending By U.S. Business

By David Vise

HOT SPRINGS, Virginia — Business spending for plant and equipment will continue to expand rapidly in the United States, though the rate of overall economic growth will continue to slow, a study by the Business Council predicts.

Business Council members, who include the chief executive officers of about 200 major corporations, gathered here twice a year in discussion economic trends.

The council's study, released Saturday, predicts a 20-percent increase in investment this year and a 10-percent increase in 1985. It notes that excess production capacity in many industries has disappeared during the economic recovery, while the prospect of continuing growth, coupled with tax benefits for business investment in plant and equipment, has boosted spending plans.

This investment, involving some purchases of high-technology equipment, will boost productivity and continue to hold down labor costs, according to the study. U.S. labor costs this year are rising at their slowest rate in a decade.

The group revised upward its spring forecast for 1984 growth in the U.S. gross national product. The business leaders now predict growth of 7.2 percent this year, the strongest annual rise in 30 years, and of 5.5 percent next year.

But the council also says a recession is possible in 1986. [The study says that high deficits in the federal budget and foreign trade place the economy in jeopardy, Reuters reported. "Both will reach unprecedented heights next year," the report says.

"Fully half the committee expects the next recession to begin before the end of 1986," says the study, developed by a committee of 19 economists.

Corporate profits, aided by the economic recovery and the unusually slow rise in labor costs, will increase by 23 percent this year and 6 percent next year, the study says. Inflation, measured by the con-

sumer price index, is expected to be 4.3 percent this year and 5 percent next year, the study said.

The prime rate, the interest that banks charge their most favored clients, is expected to rise to 13 percent by the end of 1984 and to 14.5 percent by the end of next year. Most banks now charge 12.5 percent or 12.75 percent.

The study sees 1984 growth in consumer spending of 6 percent, but says it may rise by only 2.5 percent in 1985.

Business Council economists believe the rise of the dollar against other major currencies will be halted soon, but not before the U.S. trade deficit rises from \$100 billion this year to \$120 billion in 1985.

The study also forecasts a \$17.7-billion federal deficit next year, \$10 billion more than the Reagan administration's latest estimate.

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Branniff to Add Seats, Cut Fares

New York Times Service

NEW YORK — Patrick Foley, the vice chairman of Braniff Inc., has said that the airline would add more seats to its planes and cut its fares further in an effort to stem its losses and become profitable.

He also said Friday that he and Jay Pritzker, the Hyatt Corp. chairman who put together the \$70-million plan to revive Braniff, had talked to seven other airlines about a possible merger. So far, he added, "We haven't found a suitor."

The carrier, which came out of bankruptcy proceedings March 1, has been running heavy losses since. But Mr. Foley said the airline expected to come near a passenger load factor of 61 to 62 percent in November — after a 49-percent rate in September. And he said he was "sure" that it would reach its break-even point by December.

Corporate profits, aided by the economic recovery and the unusually slow rise in labor costs, will increase by 23 percent this year and 6 percent next year, the study says. Inflation, measured by the con-

sumer price index, is expected to be 4.3 percent this year and 5 percent next year, the study said.

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Manufacturers Hanover: Positive Results but Negative Image

By Robert A. Bennett

New York Times Service

NEW YORK — When First Chicago Corp. announced early this month that it would report a loss for the third quarter, many on Wall Street were surprised. "I thought it would be Manufacturers Hanover," a bank analyst said.

That was not a new fear. It had surfaced last spring, during the collapse of Continental Illinois National Bank & Trust Co. Rumors had spread that Manufacturers Hanover was also having trouble raising funds; that it, too, was heavily burdened with shaky loans, especially to Latin America.

The rumors were quickly squelched. What problems there were in raising deposit money turned out to be insignificant, and the bank remained well clear of the status of an endangered institution.

Last week, it even reported third-quarter net income of \$88.6 million, nicely in the black.

Yet, a perception persists on Wall Street that sooner or later calamity will befall Manufacturers Hanover Corp., the fourth-largest U.S. banking organization.

Reflecting that perception, Manufacturers' stock price has plummeted more sharply in recent

months than the stock prices of other banks. Late last week it hovered in the \$30 range, an amount that was less than one-half of the bank's book value, or net worth. In fact, so depressed is the stock that the bank's total market value is only \$1.25 billion, even after acquiring CIT Financial Corp. earlier this year for \$1.5 billion.

For Manufacturers Hanover's top managers, dealing with the perception of impending trouble is a huge frustration. Chairman John F. McGillicuddy argues that the perception simply is not based on fact. Wall Street is waiting for the other shoe to drop, he acknowledged, "but I'm hard-pressed to know where that other shoe is."

The negative image that Mr. McGillicuddy is trying to combat stems, above all, from the \$6.8 billion that Manufacturers Hanover has lent to Mexico, Brazil, Venezuela and Argentina. That is almost 12 percent of the bank's total loans, a bigger percentage than at any other major bank.

Mr. McGillicuddy acknowledged that the bank's Latin American debt is "a big number." But he said that "doesn't lead to the conclusion that if the world exploded we'd be the only one hit by shrapnel."

The bank has other problems to contend with that also set it apart. For one thing, Mr. McGillicuddy has largely resisted the trend toward investment banking that has become so popular at other major banks. Instead, Manufacturers Hanover has stuck to being a "lending bank," at a time when its traditional corporate customers raise most of their funds outside the banking system.

And Mr. McGillicuddy's management style has drawn criticism, particularly his reluctance to delegate authority. He tried to loosen the reins in 1982 and move his bank rapidly into bond trading. John Devine, widely considered the dean of bond traders in the United States, was hired away from Chase Manhattan Bank.

At Chase, Mr. Devine had been accustomed to taking large positions in the bond markets, putting as much as \$200 million to \$300 million at risk at a time. But when he took even small positions at Manufacturers Hanover, that produced shock and Mr. Devine left the bank only seven months after he joined it.

Some analysts contend that Manufacturers Hanover suffers from never having been forced to change radically. "Manny's curse is

that it constantly makes little mistakes, but never makes a big one," said Lawrence Cohn, bank stock analyst at Dean Witter Reynolds Inc. But Mr. McGillicuddy insists that change is taking place within his bank, and that it will eventually show up in the bottom line.

The biggest recent change was the acquisition of CIT Financial Corp., which overnight gave Manufacturers Hanover a big, old clientele of small-business borrowers and a hefty new contribution to net income. In addition, Manufacturers Hanover has streamlined other areas and has raised fees sharply for corporate customers and individual depositors. Moreover, in the last year alone the bank's primary capital — the shareholders' money invested in the bank plus loan-loss reserves — rose 34.5 percent, to \$4.2 billion.

These actions have proved costly — at least in the short term — to the bank's shareholders. The CIT purchase in particular has diluted the existing shareholders' stake in the company and, as a result, per-share earnings plummeted by 23 percent in the third quarter from the like period last year.

But many analysts believe the short-term costs will pay off. "The acquisition of CIT diversi-

fied the bank's earnings base, and its capital position had to be reforced," said Richard X. Bove, first vice president of Shearson Lehman/American Express Inc. He predicted that the price of Manufacturers Hanover stock will increase by at least 50 percent in the months ahead, and that it may double if the Latin American situation continues to improve.

There are other pluses as well. Despite the risky nature of its Latin loan portfolio, analysts agree that Manufacturers Hanover has had a superb record in regard to loan losses. Its net losses from unrepaid loans have been lower than at most banks, and unlike a number of other major banks, it has avoided dramatic charge-offs in such areas as real-estate investment trusts and tanker financing.

Yet Mr. Bove resists ranking Manufacturers Hanover as a first-tier bank, and so do other analysts. Their skepticism involves a combination of factors. Over the past decade, Manufacturers Hanover has grown more rapidly than any other bank, except for Continental, with assets rising to \$73.3 billion at the end of September, from an average of \$41.3 billion in 1979. Rapid growth through aggressive lend-

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Currency Rates

Provided by White Weld Securities, London, Tel.: 623-1277; a Division of Financière Cr dit Suisse-First Boston
Prices may vary according to market conditions and other factors.

Prices may vary according to market conditions and other factors.

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For the Week Ending Oct. 12, 1984

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Aml. Secority		% Mol	MM. Price	-Conv. Period-	-Conv. Price a/b-	Conv. Price %	Conv. Price %	Aml. Secority	% Mol	MM. Price	-Conv. Period-	-Conv. Price a/b-	Conv. Price %	Conv. Price %
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11	Am. Int. 100	100	100	100	100	100	100	11	Am. Int. 100	100	100	100	100	
12	Am. Int. 100	100	100	100	100	100	100	12	Am. Int. 100	100	100	100	100	
13	Am. Int. 100	100	100	100	100	100	100	13	Am. Int. 100	100	100	100	100	
14	Am. Int. 100	100	100	100	100	100	100	14	Am. Int. 100	100	100	100	100	
15	Am. Int. 100	100	100	100	100	100	100	15	Am. Int. 100	100	100	100	100	
16	Am. Int. 100	100	100	100	100	100	100	16	Am. Int. 100	100	100	100	100	
17	Am. Int. 100	100	100	100	100	100	100	17	Am. Int. 100	100	100	100	100	
18	Am. Int. 100	100	100	100	100	100	100	18	Am. Int. 100	100	100	100	100	
19	Am. Int. 100	100	100	100	100	100	100	19	Am. Int. 100	100	100	100	100	
20	Am. Int. 100	100	100	100	100	100	100	20	Am. Int. 100	100	100	100	100	
21	Am. Int. 100	100	100	100	100	100	100	21	Am. Int. 100	100	100	100	100	
22	Am. Int. 100	100	100	100	100	100	100	22	Am. Int. 100	100	100	100	100	
23	Am. Int. 100	100	100	100	100	100	100	23	Am. Int. 100	100	100	100	100	
24	Am. Int. 100	100	100	100	100	100	100	24	Am. Int. 100	100	100	100	100	
25	Am. Int. 100	100	100	100	100	100	100	25	Am. Int. 100	100	100	100	100	
26	Am. Int. 100	100	100	100	100	100	100	26	Am. Int. 100	100	100	100	100	
27	Am. Int. 100	100	100	100	100	100	100	27	Am. Int. 100	100	100	100	100	
28	Am. Int. 100	100	100	100	100	100	100	28	Am. Int. 100	100	100	100	100	
29	Am. Int. 100	100	100	100	100	100	100	29	Am. Int. 100	100	100	100	100	
30	Am. Int. 100	100	100	100	100	100	100	30	Am. Int. 100	100	100	100	100	
31	Am. Int. 100	100	100	100	100	100	100	31	Am. Int. 100	100	100	100	100	
32	Am. Int. 100	100	100	100	100	100	100	32	Am. Int. 100	100	100	100	100	
33	Am. Int. 100	100	100	100	100	100	100	33	Am. Int. 100	100	100	100	100	
34	Am. Int. 100	100	100	100	100	100	100	34	Am. Int. 100	100	100	100	100	
35	Am. Int. 100	100	100	100	100	100	100	35	Am. Int. 100	100	100	100	100	
36	Am. Int. 100	100	100	100	100	100	100	36	Am. Int. 100	100	100	100	100	
37	Am. Int. 100	100	100	100	100	100	100	37	Am. Int. 100	100	100	100	100	
38	Am. Int. 100	100	100	100	100	100	100	38	Am. Int. 100	100	100	100	100	
39	Am. Int. 100	100	100	100	100	100	100	39	Am. Int. 100	100	100	100	100	
40														

New Eurobond Issues

Issuer	Amount (millions)	Mat.	Coups	Yield	Price	End week	Terms
FLOATING RATE NOTES							
Bordays Overseas Investment	\$600	perpt	1/4	100	98.55		Over 6-month Libor. Minimum coupon 5% for first 4 years. First call date at par in 1990. Commission 1.05%.
Citicorp Overseas Finance	\$400	1996	1/4	100	99.75		Over 3-month Libor. Minimum coupon 5 1/2%. Call date at par in 1996. Increased from \$300 million. Commission 0.30%.
Credit Foncier	\$150	1999	libor	101 1/4	103		Pegged to 6-month Eurodollar rate. Minimum coupon 5 1/2%. Call date at par on any interest payment date after 1995. Exchangeable during first year into company's 1986 7 1/2% French franc Eurobond, call date at 103 if less than 75 million franc worth of bonds is converted. Commission 0.75%. Exchange rate to be set Oct. 18.
Den Norske Creditbank	\$150	perpt	1/4	100	99.46		Over 3-month Libor. Minimum coupon 5 1/2%. Call date at par in 1999. Commission 1.25%.
Ford Motor Credit	\$200	1991	1/4	100	99.35		Over 6-month Libor. Minimum coupon 5 1/2%. Call date at par in 1991. Denominated \$10,000. Commission 0.75%.
ANZ Bank	\$78	1997	1/4	100	98.85		Over 3-month Libor. Noncallable.
Wells Fargo	\$60	1994	1/4	100	99.35		Over 3-month Libor. No minimum coupon. Call date at par on any interest payment date after 1989.
FIXED-COUPON							
Finnish Export Credit	\$100	1989	12 1/2	100	12 1/2	98.50	Noncallable. Each \$5,000 bond with 5 warrants, each exercisable into a \$1,000 note of company's 12 1/2% of 1991 at par. Warrants valued at \$250 each, making price of package 103 1/2. Package ended the week of 101.55, with warrants at \$35.
Essex Capital	\$1,800	2004	zero	11.65	11.35	11.10	Callable any time at par. Proceeds \$199 million. Denominated \$10,000.
Mitsubishi Finance	\$100	1989	12 1/2	100	12 1/2	98	Each \$5,000 bond with 5 warrants, each exercisable into a \$1,000 note of company's 12 1/2% of 1991 at par. Warrants valued at \$27, making price of package 103.30. Package ended the week of 101.92, with warrants at \$38.55.
Toronto Dominion Bank	\$100	1988	12 1/2	100	12 1/2	97.98	Each \$5,000 bond with 5 warrants, each exercisable into a \$1,000 note of company's 12 1/2% of 1991 at par. Warrants valued at \$27, making price of package 102.70. Package ended the week of 101.08, with warrants at \$31.
Beecham	DM 200	1994	7 1/2	100	7 1/2	97.88	First callable at 102 1/2 in 1989.
Denmark	DM 150	1989	7 1/2	100	7 1/2	98.75	Noncallable.
Denmark	DM 150	1994	7 1/2	99 1/4	7 1/2	98.25	Noncallable.
New Zealand	DM 250	1991	7 1/2	100	7 1/2	98.38	First callable at 101 in 1989.
Spain	DM 60	1992	7 1/2	99 1/4	7 1/2	97.92	First callable at 101 in 1989.
World Bank	CS 75	1991	12 1/2	99 1/4	12 1/2	98.25	Noncallable.
World Bank	DF 100	1989	7 1/2	100	7 1/2	99.25	Noncallable private placement.
ESCO Finance	ECU 40	1993	11 1/4	100 1/2	11 1/4	100.25	Noncallable.
Bank of Tokyo	ECU 40	1991	10 1/4	100	10 1/4	99.63	First callable at 101 in 1987.
EQUITY-LINKED							
NZ Overseas Finance	\$50	1994	open	100	—	97.25	Coupon indicated at 10 1/2%. Call date at 104 in 1985. Convertible at a 10 1/2% premium for the first 2 years, 10% for the following 2 years and 4% thereafter. Terms to be set Oct. 17.
Tokyo Sanyo Electric	\$100	1999	open	100	—	100.38	Senior secured coupon indicated at 2 1/2%. Call date at 104 in 1987. Convertible at an out-of-pocket 5% premium. Terms to be set Oct. 15.
Nippon Seiko	\$70	1999	open	100	—	—	Coupon indicated at 3 1/2% semiannually. First call date at 104 in 1987. Convertible at an out-of-pocket 5% premium. Terms to be set Oct. 18.
Kauffhof Finance	DM 150	1994	3 1/4	100	3 1/4	104.50	First callable at par in 1985. Each 1,000-mark bond with 2 warrants, each exercisable into company's shares at 227 marks, at a 1.5% premium.

French Bid to Refinance Loans Is Now Considered Unlikely

By Carl Gwartz
International Herald Tribune

PARIS — Following the lead of Sweden and Denmark, Italy and Spain are now heavily engaged in refinancing existing syndicated bank loans to both lower costs and stretch out repayments, and a persistent question running through the Eurozone is whether France will follow in the same track.

SYNDICATED LOANS

Fueling speculation that France will avail itself of the present favorable market conditions to refinance is the fact that repayments on existing debt began to bunch up after 1988, threatening to impose a heavy international constraint then on the government's economic policies.

But the message coming out of France is that it will not, at least in the near future, seek to restructure its foreign debt. To begin with, policy is already constrained by the need to finance the current-account deficit and the larger-than-expected budget deficit — meaning that

France will remain an important borrower of new money and will therefore not risk jeopardizing the good will of lenders by trying to renegotiate for finer terms on existing debt.

In contrast to its European neighbors, France has consistently fought for and achieved very tight terms, thus it has much less to gain in interest-rate relief from renegotiation.

In addition, the external constraint as it already exists is seen as having provided a necessary and beneficial impact by restraining politicians' propensity to spend and thus forcing the government to adopt unpopular policies which, over the long term, should create a more vibrant economy better able to service its debt.

There are also more down-to-earth reasons for not wanting to rock the boat, not the least being how the opposition press would try to equate renegotiation with the crisis reschedulings of Poland and Mexico.

And finally, the most practical reason for going slow is that the

French are the biggest foreign borrowers in the huge U.S. commercial-paper market, which is the cheapest source of dollar loans.

There is a risk that if French borrowers start selling promissory notes in the Eurozone (the latest trend that has enabled Sweden and Denmark to sharply reduce their interest charges) they will be competing with themselves: If the yield on the Eurozone is higher, U.S. lenders could run down their purchases of commercial paper and buy the notes offered in the Eurozone.

This is a risk that may be tested by Credit National, which last week launched a \$500-million credit facility. The idea of inviting banks to participate was "a masterpiece of confusion," one recipient said, but suspicions that the facility could be used to draw more than the stated amount (IHT, Oct. 10) were ultimately laid to rest.

At least half of the facility will be used as a back-up credit for the sale of commercial paper in New York. For the remainder, Credit National can either issue more commercial

paper or ask banks participating in the operation to bid on terms for short-term advances or Euronotes.

The Euronotes would bear interest set at 1/2 point below the London interbank offered rate but the issue price would be negotiable. If Credit National does not accept the terms proposed by the banks, it has the right to draw on the credit. Interest is to be set at 1/2 point over Libor if less than half the credit is drawn and 1/4 point over Libor if more than half is drawn.

Regardless of the options used, Credit National will pay banks an annual fee of 10 basis points, or 0.1 percent, for providing the 10-year backup line and if the credit is extended for an additional five years the banks will be paid an extra one-time fee of 15 basis points.

In addition, lead managers underwriting \$25 million will be paid a commission of 17.5 basis points and co-lead managers underwriting \$15 million will be paid 12.5 basis points.

In the classic syndicated credit market, the Soviet Union's Foreign Trade Bank is back in the market, fueling speculation that the Soviet Union again has had a poor harvest and will need to buy grain on the international market. The latest

operation, a \$100-million, five-year loan is managed by Banque Arabe et Internationale d'Investissement and targeted for sale to Middle East institutions. Interest is set at 1/2 point over Libor and front-end fees are rumored to total 1/2 percent.

In Spain, the state-controlled Enagas is seeking to refinance the \$170 million still outstanding on a 1979. The 10-year refinancing would be half in dollars and half in pesetas.

In Italy, rumors abound that the government is seeking a \$1-billion, 10-year loan with terms starting at a 1/2 point over Libor. The state credit agency Credipol is seeking terms for a loan of 50 million European currency units and €25 million while Enimont is seeking terms for a 10-year loan of up to 300 million ECU.

In North Africa, Algeria is sounding out the market for terms on a \$500-million loan.

In the corporate sector, Avco Financial, an Australian subsidiary of the U.S. company, is seeking to raise \$50 million for two years through the sale of promissory notes. In South Korea, banks have been asked to bid on terms for a \$100-million, eight-year loan by Samsung Semiconductor. The latest

Study Sees Less Edge in Dollar Issues

(Continued from Page 9)

Life of the warrant. FEC's runs for 3 1/2 years while Mitsubishi's lasts for five years.

Toronto Dominion's five-year warrants, to buy 12 1/2-percent paper, were offered at \$27 and ended the week at \$31.

The bulk of last week's activity in the dollar sector was confined to the floating-rate note market — a reflection of the widespread expectation that interest rates are ultimately headed higher. There were no fixed-coupon issues from U.S. companies since domestic terms compared favorably with those currently available in the Eurozone market.

However, next week will see a major test of the fixed-coupon market when the Treasury finally launches its much delayed sale of notes targeted for sale outside the United States. It will auction on Oct. 24, \$6 billion of four-year notes of which up to \$1 billion will be offered for sale abroad.

Meanwhile, dealers reported tremendous demand for floaters. Barclays offered \$300 million of perpetual notes, with interest set at 1/4 point over the six-month London interbank offered rate. Den Norske Creditbank sold \$150 million of perpetual notes bearing interest at 1/4 point over three-month Libor.

Traders said the good response to both issues reflected the 1/4-point margins, which look generous compared to some recent issues. How-

ever, analysts see the near nondistinction in terms (between Barclays, one of the biggest banks in the world, and the much smaller DNC as well as generally in prices on the secondary market) as disturbing.

The paper of major banks, the argument runs, should offer investors less yield than paper from so-called second-tier institutions. The lack of distinction is ascribed to the very high demand for such paper. But analysts worry that a shakeout is inevitable.

Ford Motor Credit also tapped the FRN market, offering \$200 million of seven-year notes bearing interest at 1/4 point over six-month Libor. Meanwhile, Citicorp increased for the second time, now to \$400 million, its offering of two-year notes, which can be extended up to 12 years.

Credit Foncier of France was able to market \$150 million of 15-year notes at very favorable terms — interest set at no margin over six-month Libor and an issue price at a premium of 10 1/4 (producing an effective cost of funds for Credit Foncier of 10 basis points below Libor) — thanks to a one-year option to convert the notes to French franc bonds bearing a coupon of 12 1/2 percent maturing in 1991. The conversion price into francs will be fixed this week.

The issue attracted interest because it effectively offers a relatively inexpensive one-year currency option.

Continental bankers, noting that investors are increasingly suspicious about the dollar's ability to sustain its current exchange rate, said there was very heavy demand for issues denominated in European currency units. Investors are attracted by the high coupons available and the belief that these will soon be cut because interest rates on the currencies comprising the ECU are expected to decline.

A unit of the Bank of Tokyo is offering 40 million ECU of seven-year bonds bearing a coupon of 10 1/4 percent. By contrast, a week earlier, the much smaller Privatbanken offered seven-year ECU paper bearing a coupon of 11 1/4 percent.

There was also considerable demand for guilders notes. Because the guilder is expected to move in tandem with the Deutsche mark, investors prefer higher yielding guilder notes to DM bonds.

The DM sector suffered from some profit-taking, dealers said, but by week's end this had largely been reversed. However, the new calendar of 10 issues totaling 2.2 billion DM got off to a weak start.

With the impending removal of the withholding tax on domestic bonds and the merging of the domestic and foreign markets, dealers said the terms on the issues for Bechem and New Zealand suffered in comparison with the terms offered on the latest West German state bond.

In particular, dealers said that New Zealand's economic climate does not justify its paying less than the West German government to raise money. The latest domestic issue was for 10 years bearing a coupon of 7 1/2 percent while New Zealand sold seven-year notes bearing a coupon of 7 1/4 percent. These ended the week at a two-point discount.

Bechem also suffered by comparison to the government issue, offering 10-year bonds bearing a coupon of 7 1/2 percent that ended the week at a two-point discount.

Denmark fared somewhat better with five-year notes bearing a coupon of 7 1/2 percent ending the week at a 1/4-point discount. Its 10-year, 10 1/4-percent bonds finished at a discount of 1/4 points.

Rates Ease, but Outlook Uncertain

New York Times Service

NEW YORK — Despite an easing of interest rates, especially in the short-term market where the rate on three-month Treasury bills

U.S. CREDIT MARKETS

dropped below 10 percent for the first time since late June, market participants did not see any change in the interest-rate outlook.

They said that Friday's late afternoon trading — which raised Treasury-bill rates only a few hundredths of a percentage point and depressed note and bond prices by no more than 1/4 point — was mostly the result of speculative dealing.

Apprehension over bank earnings reports encouraged some speculators to buy Treasury bills, analysts said. As well, demand from money-market mutual funds is growing as those funds become

more selective about purchases of bank certificates of deposit.

"Where we are going is still uncertain," said Stephen Slifer, a money-market economist at Lehman Government Securities. "I'm not convinced that the economy is so weak that the Fed needs to ease policy more, but it's not clear yet that they have stopped."

The overnight rate for bank loans in the federal-funds-market, a closely watched benchmark for other short-term rates, averaged about 10.15 percent Friday. This rate has declined in recent weeks as the Fed made bank reserves more available, fostering lower interest rates, in light of the slow growth in the money supply.

"With inflation low, the economy sputtering, strains in the financial system and slow money-supply growth, the Fed has every reason to ease policy," said Herbert E. Neil

U.S. Consumer Rates For Week Ending October 12, 1984

Category	Rate
Passbook Savings	5.30%
Tax-Exempt Bonds	10.34%
Money Market Funds	10.35%
Bank Money Market Accounts	9.78%
Home Mortgages	14.91%

Jr., a vice president at Harris Trust and Savings Bank. He noted that money-supply growth in the third quarter was slowest in about three years. "The slow money-supply growth will not necessarily tip the economy downward, but it provides a reason for the Fed to ease policy a bit."

In the note and bond market, government securities dealers said there was substantial trading in the two-year Treasury issue to be auctioned Oct. 17. Offered late in the day at 11.84 percent, analysts said the two-year issue appealed to many buyers because its yield seemed generous compared with the rates available in the Treasury-bill market.

Among longer-term issues, the seven-year Treasury notes scheduled for sale Oct. 16 were offered at 12.36 percent, which is about the highest yield available in the Treasury market. With the higher yield, analysts said, the seven-year was attracting an increasing amount of demand from investors who were swapping out of securities with shorter and longer maturities.

U.S. Bank Battles Its Image

(Continued from Page 9)

ing has been a common characteristic of the biggest banks that have collapsed in the past two years, including Continental, Seafirst Corp. of Seattle and Penn Square Bank of Oklahoma City.

Chairman Quits HBO in Dispute

New York Times Service

NEW YORK — Frank J. Biondi, who became chairman and chief executive officer of Time Inc.'s Home Box Office in March, has left the cable-television network because of "policy differences" with Time's management, the company said.

Michael J. Fuchs, 38, who became president in March, would become chief executive, Time said.

Mr. Biondi, 39, was a Wall Street analyst before joining HBO in 1978. He became president in February 1983. Analysts suspect that his sudden departure may be the result of problems at the network. After a period of dramatic growth, HBO's sales this year have not kept pace with Mr. Biondi's ambitious plans.

Steelmakers Feeling Hopeful

(Continued from Page 9)

look at his own possibilities and act accordingly, rigorously and fast."

Some steelmakers said developing countries such as Brazil and South Korea accuse the United States, Europe and even Japan of being too slow to close their inefficient, aging mills. But the industrial countries say the developing nations are to blame for having piled on tons of millions of tons of new, unneeded capacity.

In a sense, these steelmakers said, it is a debate between the industrial nations who want to keep their piece of the steel pie, and the developing have-nots, who say they deserve a larger piece.

"Rationalization must be done, and particularly in the United States," said Myung Sik Chung, executive vice president of the Pohang Iron & Steel Co., the South Korean concern that recently has built several efficient mills. "The United States has a lot of capacity which is not effective capacity and has to be weeded out."

Since 1979, American steelmakers have reduced their capacity by about 16 percent, from 160 million tons to 135 million. Executives concede that more capacity will be eliminated, perhaps as much as another 20 million tons by 1990.

Nevertheless, Donald H. Trautlein, chairman of the Bethlehem Steel Corp., insists that most cuts should come elsewhere. He said the likeliest candidates were some developing countries that must import coal and iron ore to make steel and have as their only advantage cheap labor.

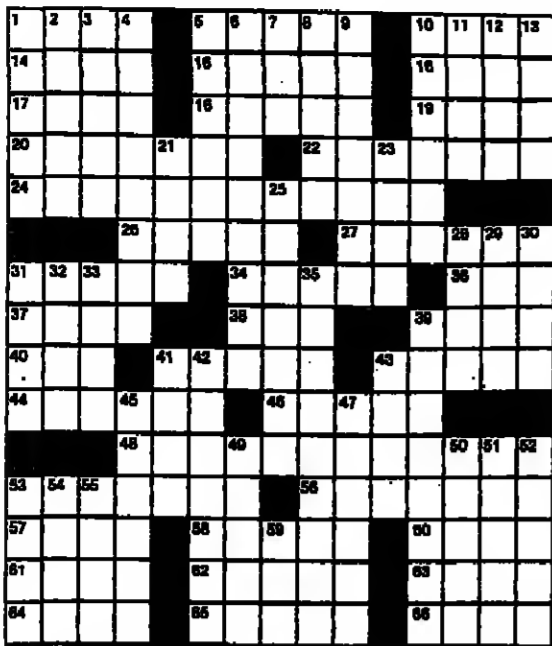
Mr. Trautlein, who is also chairman of the American Iron and Steel Institute, said that "there should be no new capacity built anywhere in the next 10 years," in order to help cut supply and demand in balance and keep prices from becoming depressed.

That was not a view shared by the developing countries.

American Exchange Options For the Week Ending Oct. 12, 1984

Option & price			Colls		Puts		Option & price			Colls		Puts		Option & price			Colls		Puts	
Oct	Jan		Oct	Jan			Oct	Jan		Oct	Jan			Oct	Jan		Oct	Jan		
Amco	25	22	50		r	r	500	35	1-16	116	r	r	r	254	30	16	16	16	r	r
Amco	25	22	50		r	r	500	35	1-16	116	r	r	r	254	30	16	16	16	r	r
Amco	25	22	50		r	r	500	35	1-16	116	r	r	r	254	30	16	16	16	r	r
Amco	25	22	50		r	r	500	35	1-16	116	r	r	r	254	30	16	16	16	r	r
Amco	25	22	50		r	r	500	35	1-16	116	r	r	r	254	30	16	16	16	r	r
Amco	25	22	50		r	r	500	35	1-16	116	r	r	r	254	30	16	16	16	r	r
Amco	25	22	50		r	r	500	35	1-16	116	r	r	r	254	30	16	16	16	r	r
Amco	25	22	50		r	r	500	35	1-16	116	r	r	r	254	30	16	16	16	r	r
Amco	25	22	50		r	r	500	35	1-16	116	r	r	r	254	30	16	16	16	r	r
Amco	25	22	50		r	r	500	35	1-16	116	r	r	r	254	30	16	16	16	r	r
Amco	25	22	50		r	r	500	35	1-16	116	r	r	r	254	30	16	16	16	r	r
Amco	25	22	50		r	r	500	35	1-16	116	r	r	r	254	30	16	16	16	r	r
Amco	25	22	50		r	r	500	35	1-16	116	r	r	r	254	30	16	16	16	r	r
Amco	25	22	50		r	r	500	35	1-16	116	r	r	r	254	30	16	16	16	r	r
Amco	25	22	50		r	r	500	35	1-16	116	r	r	r	254	30	16	16	16	r	r
Amco	25	22	50		r	r	500	35	1-16	116	r	r	r	254	30	16	16	16	r	r
Amco	25	22	50		r	r	500	35	1-16	116	r	r	r	254	30	16	16	16	r	r
Amco	25	22	50		r	r	500	35	1-16	116	r	r	r	254	30	16	16	16	r	r
Amco	25	22	50		r	r	500	35	1-16	116	r	r	r	254	30	16	16	16	r	r
Amco	25	22	50		r	r	500	35	1-16	116	r	r	r	254	30	16	16	16	r	r
Amco	25	22	50		r	r	500	35	1-16	116	r	r	r	254	30	16	16	16	r	r
Amco	25	22	50		r	r	500	35	1-16	116	r	r	r	254	30	16	16	16	r	r
Amco	25	22	50		r	r	500	35	1-16	116	r	r	r	254	30	16	16	16	r	r
Amco	25	22	50		r	r	500	35	1-16	116	r	r	r	254	30	16	16	16	r	r
Amco	25	22	50		r	r	500	35	1-16	116	r	r	r	254	30	16	16	16	r	r
Amco	25	22	50		r	r	500	35	1-16	116	r	r	r	254	30	16	16	16	r	r
Amco	25	22	50		r	r	500	35	1-16	116	r	r	r	254	30	16	16	16	r	r
Amco	25	22	50		r	r	500	35	1-16	116	r	r	r	254	30	16	16	16	r	r
Amco	25	22	50		r	r	500	35	1-16	116	r	r	r	254	30	16	16	16	r	r
Amco	25	22	50		r	r	500	35	1-16	116	r	r	r	254	30	16	16	16	r	r
Amco	25	22	50		r	r	500	35	1-16	116	r	r	r	254	30	16	16	16	r	r
Amco	25	22	50		r	r	500	35	1-16	116	r	r	r	254	30	16	16	16	r	r
Amco	25	22	50		r	r	500	35	1-16	116	r	r	r	254	30	16	16	16	r	r
Amco	25	22	50		r	r	500	35	1-16	116	r	r	r	254	30	16	16	16	r	r
Amco	25	22	50		r	r	500	35	1-16	116	r	r	r	254	30	16	16	16	r	r
Amco	25	22	50		r	r	500	35	1-16	116	r	r	r	254	30	16	16	16	r	r
Amco	25	22	50		r	r	500	35	1-16	116	r	r	r	254	30	16	16	16	r	r
Amco	25	22	50		r	r	500	35	1-16	116	r	r	r	254	30	16	16	16	r	r
Amco	25	22	50		r	r	500	35	1-16	116	r	r	r	254	30	16	16	16	r	r
Amco	25	22	50		r	r	500	35	1-16	116	r	r	r	254	30	16	16	16	r	r
Amco	25	22	50		r	r	500	35	1-16	116	r	r	r	254	30	16	16	16	r	r
Amco	25	22	50		r	r	500	35	1-16	116	r	r	r	254	30	16	16	16	r	r
Amco	25	22	50		r	r	500	35	1-16	116	r	r	r	254	30	16	16	16	r	r
Amco	25	22	50		r	r	500	35	1-16	116	r	r	r	254	30	16	16	16	r	r
Amco	25	22	50		r	r	500	35	1-16	116	r	r	r	254	30	16	16	16	r	r
Amco	25	22	50		r	r	500	35	1-16	116	r	r	r	254	30	16	16	16	r	r
Amco	25	22	50		r	r	500	35	1-16	116	r	r	r	254	30	16	16	16	r	r
Amco	25	22	50		r	r	500	35	1-16	116	r	r	r	254	30	16	16	16	r	r
Amco	25	22	50		r	r	500	35	1-16	116	r	r	r	254	30	16	16	16	r	r
Amco	25	22	50		r	r	500	35	1-1											

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ACROSS

1 Mark of battle
5 Devide
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18 "Pledge"
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21 Of the skull
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27 Representa-
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37 Too bad!
38 Unusual
39 Bart
40 Follower of
41 Region of
43 Asian
44 Put under
46 Maximum
48 Sever ties, as
with a group

DOWN

53 Makeups of
56 Sign painter's
57 His, to Henri
58 A nephew of
60 To kin
62 Sign up
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64 Zero
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angry dog
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12 Director
13 Sweater
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arsonist
23 French cherub
25 Warm-weather
footwear
26 Actress
28 Patricia
29 Bye-bye
30 Collar
31 Domesticated
32 Buck heroine
33 Secular
35 Right to enter
36 Afternoon
performances
41 Largest
continent
42 Would-be
fledgling
43 Mickey and
Minnie
45 Have high
regard for
47 Stopovers on
highways
48 Together
49 Create a fuss
51 Queenly
headress
52 Heroine of
"The Lady of
the Lake"
53 Forest young
one
54 Sandwich
spread
55 Knock into a
cocked hat
56 Swiss canton

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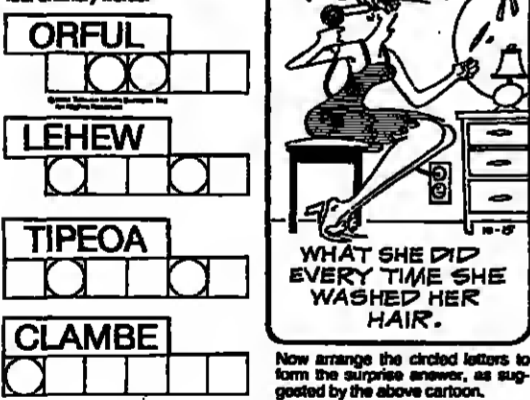
DENNIS THE MENACE



"SHE ONLY YELLS AT YOU AFTER WORK. I GET IT ALL DAY LONG!"

JUMBLE

Unscramble these four Jumbles, one letter to each square, to form four ordinary words.



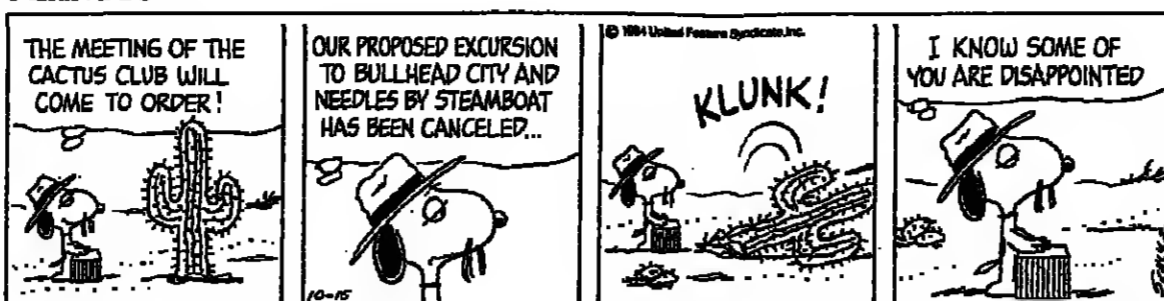
Print answer here: _____ HER _____
Friday's Jumbles: WLET TWINE FRENZY MALICE
Answer: What the author's pseudonym was—
HIS "WRITE" NAME

WEATHER

EUROPE	HIGH	LOW	ASIA	HIGH	LOW
Algeria	24	17	13	24	17
Austria	22	15	12	22	15
Berlin	22	15	12	22	15
Bombay	22	15	12	22	15
Buenos Aires	22	15	12	22	15
Calcutta	22	15	12	22	15
Cairo	22	15	12	22	15
Chennai	22	15	12	22	15
Columbo	22	15	12	22	15
Copenhagen	22	15	12	22	15
Dakar	22	15	12	22	15
Dhaka	22	15	12	22	15
Durban	22	15	12	22	15
Frankfurt	22	15	12	22	15
Hankow	22	15	12	22	15
Hong Kong	22	15	12	22	15
Kobe	22	15	12	22	15
London	22	15	12	22	15
Los Angeles	22	15	12	22	15
Madras	22	15	12	22	15
Mumbai	22	15	12	22	15
Nairobi	22	15	12	22	15
Paris	22	15	12	22	15
Peking	22	15	12	22	15
Rangoon	22	15	12	22	15
San Francisco	22	15	12	22	15
Shanghai	22	15	12	22	15
Singapore	22	15	12	22	15
Sourabaya	22	15	12	22	15
Taipei	22	15	12	22	15
Tokyo	22	15	12	22	15
Yokohama	22	15	12	22	15

MONDAY'S FORECAST: CHANNEL: Light, FRANKFURT: Foggy, Berlin: Foggy, London: Foggy, New York: Cloudy, Tokyo: Cloudy, Seoul: Cloudy, Taipei: Cloudy, Hong Kong: Cloudy, Shanghai: Cloudy, Singapore: Cloudy, Bangkok: Cloudy, Colombo: Cloudy, Calcutta: Cloudy, Chennai: Cloudy, Madras: Cloudy, Mumbai: Cloudy, Rangoon: Cloudy, Nairobi: Cloudy, Paris: Cloudy, Peking: Cloudy, Rangoon: Cloudy, Sourabaya: Cloudy, Taipei: Cloudy, Tokyo: Cloudy, Yokohama: Cloudy.

PEANUTS



BLONDIE



BEETLE BAILEY



ANDY CAPP



WIZARD of ID



REX MORGAN



GARFIELD



SPORTS BRIEFS

France Routs Luxembourg in Soccer, 4-0

LUXEMBOURG (UPI)—France crushed Luxembourg, 4-0, in its first World Cup soccer qualifying match Saturday, scoring all four goals in a 33-minute span of the first half.

Soccer Panel Disciplines Players, Clubs

ZURICH (UPI)—The UEFA disciplinary commission has suspended several players and fined clubs for incidents in first-round matches of the three European soccer competitions.

At a weekend meeting here, the UEFA, European soccer's governing body, suspended Lothar Matthaus of Bayern Munich, Lars Schoone of Copenhagen and Colubay Riza of Istanbul, each for three matches. Barred for one European competition match were Peter Svensson of Oesters, Eric Benoit of Monaco, Diego Rodriguez of Real Betis, and George Gibson of Linfield.

The disciplinary commission imposed fines on various clubs amounting to 90,000 Swiss francs (\$36,000). Most of the fines were levied to sanction fan misbehavior.

Green Takes 3-Shot Lead in Southern Open

COLUMBUS, Georgia (UPI)—Hubert Green posted his third straight sub-par round Saturday, to take a three-stroke lead in the \$300,000 Southern Open golf tournament.

Green, who set the Southern's 72-hole record with a 16 under par while winning in 1975, shot a 3-under-par 67 for a record-setting 12-under 198 through the first three rounds.

Scott Hoch shot a 68 to move into second place with a 201, 9 under par. Ronnie Black, the defending champion, took over third place with a 66/202, and Corey Pavin (68) and Willie Wood (69) were tied for fourth at 203.

Nystrom Takes Swiss Indoor Tennis Title

BASEL, Switzerland (UPI)—Joakim Nystrom of Sweden defeated Tim Wilkison of the United States, 6-3, 3-6, 6-4, 6-2, to win the \$125,000 Swiss Indoor Tennis Championships Sunday.

Nystrom has beaten Wilkison all three times they have played this year. But Wilkison, from Shelby, North Carolina, easily won the second set and led 2-0 and 3-1 in the third before Nystrom eased back into the match.

Japanese Runner Wins Beijing Marathon

BEIJING (UPI)—Kia Hideo of Japan won the International Beijing Marathon Sunday, posting a time of 2:12:16 Sunday before crowds of hundreds of thousands of people.

Hideo finished just ahead of another Japanese runner, Ito Kunimitsu, who was timed at 2:12:20. China's Zeng Chaoxue was third in the field of 241, clocking 2:15:10. His time was the best performance by a Chinese competitor since the marathon was inaugurated four years ago.

The race was run amid crisp, autumn weather and low winds.

John Henry Rallies to Win Meadowlands Classic

By Steven Crist

EAST RUTHERFORD, New Jersey—John Henry stormed from far back to rally on the outside and post a commanding 24-length victory in the \$400,000 Classic Saturday night at Meadowlands Race Track.

It was a particularly impressive victory for the wondrous nine-year-old gelding, who lagged early, had trouble finding racing room near the stretch turn, and simply accelerated brilliantly to win going away.

Who's for Dinner, a 10-to-1 shot, was second by a head with Win, the second choice third, followed by Four Bases and Pin Puller.

John Henry, sent off at 3-to-5 by a crowd that cheered him heartily upon his return to the winner's circle, paid \$3.20 for \$2 to win. With Chris McCarron riding, he covered the mile and three-eighths around three turns on the choppy grass course in 2:13, tying Terpsichore's track record.

His cause was aided by a lively duel among the early leaders. Win shot to the early lead, dropped back as Gateshead took over, then duelled with Hero's Honor until John Henry blew by the field.

The victory raised John Henry's record career earnings to \$6,597,947 for his owner, Sam Ruvin, who purchased him six years ago for \$25,000.

The Classic was John Henry's 334 career start, and he was shooting for the biggest first prize of his life. The race offered a winner's purse of \$240,000 to 11 of the 12 horses in the field. But John Henry was eligible for a payday of \$400,000, being in line for a \$500,000 bonus this track offered to any horse who could win both the Turf Classic at Belmont Park and the Classic here. John Henry won the first of those Sept. 22 by a

BOOKS

SAY GOODBYE TO SAM

By Michael J. Arlen. 231pp. \$12.95. Farrar, Straus & Giroux, 19 Union Square West, New York, N.Y. 10003.

Reviewed by Christopher Lehmann-Haupt

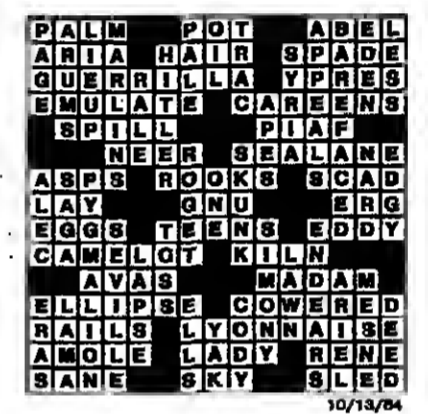
WHAT is perhaps most intriguing about Michael J. Arlen's first novel is the way it plays upon our expectations and then crosses us up. Arlen is probably best known for his television criticism in The New Yorker, which has led to three collections of essays, "Living Room War" (1969), "The View from Highway 1" (1970), and "The Camera Age" (1981), as well as "Thirty Seconds" (1980), an amusing account of the making of a television advertisement.

But he is almost as well known for the story he told in his two memoirs, "Exiles" and "Passage to Anatolia," about digging past the image of his father—the elegant Michael Arlen, who captured his ideal of continental urbanity in a fleetingly famous novel called "The Green Hat" and finding the Armenian exile whose original name was Dilkan Kouyoumdjian and who had struggled unsuccessfully to expunge his past.

Like Arlen, Tom Avery, the hero of "Say Goodbye to Sam," has a famous father who has always kept his distance. At the opening of the novel, Tom decides to take his wife, Catherine, to New Mexico for a visit with his father, Sam Avery, on the ranch he runs in Santa Ana when he is not busy directing big-scale Hollywood Westerns. Perhaps, Tom hopes, his father will finally acknowledge him — as the prize-winning nonfiction writer he has become, as the husband of an attractive wife, as a man and as a son.

Since Arlen's father worked in Hollywood for a time, we expect Sam Avery to resemble the dapper, artificial man who in "Exiles" would pace his study for hours on end, writing for the words that never came. But behold, Sam Avery is a leathery, weather-beaten giant of a man, a Goliath to Tom's David, a raw, rodeo-hard-riding Westerner who seems to regard his son as an effete, unsightly weed to be uprooted and disposed of as quickly as possible.

Solution to Friday's Puzzle



For an instant, a reader is amazed at the contrast, and a little embarrassed for having expected art to imitate life. Then he realizes that with a series of artistic strokes, Arlen has not only given his father the bone-deep American legumity that both of them longed for, he has also created a strong enough figure to withstand his anger for neglecting him. What's more, Sam proceeds to engage his visiting son in a series of contests, which, while murderously threatening in their way, are far more satisfying than remote indifference and almost as fulfilling as outright love.

Unfortunately, the rest of "Say Goodbye to Sam" is not as engaging as the initial shock of meeting Sam Avery. As well as creating this powerful figure, Arlen has created a vivid sense of the Southwest and its natives. And the tension builds effectively as old Sam begins to challenge his son for the affection of Catherine, Tom's wife. But past a certain point, there is a forced quality to the story's development. It's a little too patly schematic the way Tom dreams of his dead mother while delivering Catherine into the arms of his father in an unconscious gesture of reconciliation.

Although it makes a kind of psychological sense, there's something too sudden about the way the hostility between the two men collapses into love. A somewhat gratuitous touch of melodrama doesn't help much either. Although Arlen writes sensitively, using his terrain to build tight, understated scenes that powerfully evoke the loneliness of men and women under the big Western sky, nevertheless the machinery creaks after a while.

I'd rate this a solid first novel. Having written prize-winning nonfiction doesn't necessarily prepare a writer in pass one of the most difficult creative tests there is. Nothing he has written previously could have taught Arlen the skill with which he first shows us Tom Avery's shaky sense of himself, and then, in a deft scene with one of Sam Avery's screenwriters, suddenly reveals how cool Tom looks to an outsider.

And there is charm to Arlen's prose, unsurprisingly enough. Here is Tom near the beginning of the novel, introducing us to his precocious, "I didn't tell Catherine about my early-morning vigils though once she woke up early too and came into the kitchen where I was sitting. I think I said I was trying to figure things out about my work, which was also true. I'd turned 39 some months before and found much to think about: not maudlin philosophic thoughts about age or being nearly 40, because I rather liked being older; there was something about it that seemed almost like a promotion, like finally making officer's rank. Unlike many of my friends I was glad at last to be a grown-up, and so fretted over growing matters: careers and real estate and suchlike; whether to expand my last magazine piece into another book; whether to put aside trying to write decent journalism ('serious nonfiction') and take an editor's job if it was offered to me; whether to spend the money my mother had left me on a larger, more uptown apartment, and so on."

Now that Arlen has decided to put aside journalism for entertaining fiction, there's no reason why he shouldn't move forward apace.

Christopher Lehmann-Haupt is on the staff of The New York Times.

BRIDGE

By Alan Truscott

ON the diagrammed deal, North and South climbed to seven diamonds as shown. North's hand does not meet the usual high-card requirements for a jump shift response of two spades, but it was a good move with such potential for a diamond contract.

South marked time with two no-trump, and North made unusual use of the splinter-bid concept by jumping to four hearts. When he followed with five diamonds, it became clear that he held massive support in that suit and not more than a lone length in spades and the singleton heart. That was all the encouragement South needed to bid a grand slam.

With the actual distribution, it was not difficult to make 13 tricks. South won the heart lead with the jack and cashed the K-J of diamonds. He then finessed the spade queen, and when it won, he continued spades, ruffing the third round. He could then claim the grand slam, announcing that he would ruff one more spade in his hand and eventually draw the missing trump.

This result was not as lucky for South as it might appear. East's double of four hearts, a somewhat misguided choice, suggested that he had considerable length in that suit. Consequently, West was likely to have length in spades and the finesses for the king was much better than 50-50. As it was, South's team gained 13 points. If the spade finesse had failed, it would have lost 16 points but still won by one point.

WEST
NORTH
SOUTH
EAST

West	North	South	East
♠ A Q 7 6 2	♠ A Q 7 6 2	♠ A Q 7 6 2	♠ A Q 7 6 2
♥ K Q 9 7 2	♥ K Q 9 7 2	♥ K Q 9 7 2	♥ K Q 9 7 2
♦ A Q 7 6 2	♦ A Q 7 6 2	♦ A Q 7 6 2	♦ A Q 7 6 2
♣ A Q 7 6 2	♣ A Q 7 6 2	♣ A Q 7 6 2	♣ A Q 7 6 2

Deviils Finally Overcome the Islanders

United Press International

EAST RUTHERFORD, New Jersey—For one night, the New Jersey Devils were walking proud. The Devils, who had finished with the second-lowest point total in the league last year, beat the New York Islanders Friday night, 7-2, for their first victory over the Long

NHL FOCUS

Island club since they moved from Colorado two years ago.

The last time the franchise beat the Islanders was Dec. 4, 1980, when the Rockies posted a 4-3 victory in Denver.

In the other game on Friday, Edmonton beat St. Louis, 5-1. On Saturday it was the Islanders 7, Chicago 6 in overtime; Hartford 3, Boston 2 in overtime; New Jersey 1, Philadelphia 4; Washington 2, Toronto 4; Buffalo 3 in overtime; Montreal 4, Pittsburgh 3; Minnesota 3, the New York Rangers 1; Calgary 7, Quebec 2; and Vancouver 6, Los Angeles 5 in overtime.

After the Devils' victory Friday, Mel Bridgman, a veteran who played on the Philadelphia Flyers in the late 1970s, said: "I've only been here one season and this is the

most exciting moment I've experienced with this team. The guys on the bench were even happier than the guys scoring goals. There is a good feeling developing here and we hope to go on and pick up more points this year than we did last year."

The Devils got 41 points last year, three more than the Pittsburgh Penguins and 78 fewer than the Edmonton Oilers, who dethroned the Islanders in the Stanley Cup finals last spring.

It was also a special night for Devils' goalie Glenn Resch, who posted his 20th career victory at the expense of his former teammates.

"I said that before I retired I was going to beat these guys," said Resch, who made 28 saves in becoming the 26th goalie in NHL history to reach 20 victories. "It got to the point where I was thinking what I would have to say if I never got that win. Really though, this has to be considered a great team effort."

Paul Gagne spearheaded the team effort with a goal and two assists.

With the Islanders up, 2-0, Aaron Broten started the Devils' comeback by poking the puck past goalie Roland Melanson at 3:29 of the second period. Pat Verbeek tied the score with a drive from the left faceoff circle at 14:28 of the second.

With just 1:01 left in the second, Bridgman put in his rebound to put New Jersey ahead, 3-2. Gagne's 30-foot slapshot at 4:33 of the third period increased it to 4-2.

Then New Jersey struck for three goals 49 seconds apart, to set a club record. Rich Preston tipped in Joe Cirella's slapshot on a power play at 7:51. Eleven seconds later Doug Sullivan took a pass from Don Lever to make it 6-2. Lever converted at 8:40 off a pass from Gagne, scoring while being checked to the ice.

Mike Bossy, still bothered by a knee injury, took part in both Islanders goals. He scored on a breakaway at 9:33 of the first and set up John Tonelli 48 seconds into the second period.

"We didn't win any of the battles out there tonight," said Al Arbour, the Islanders coach. "We didn't command any respect. We gave them that ice and after what we gave them, they took even more."

John Henry

SPORTS

Tigers Roar Past Padres To Hold 3-1 Series Lead

By Ross Newhan
Los Angeles Times Service

DETROIT — There was nothing classic about Detroit's 5-2 victory over San Diego in Game 3 of baseball's 52nd classic except a twisting, two-on, two-out catch by the Tiger center fielder, Chet Lemon, in the seventh inning and the near flawless relief pitching of Willie Hernandez.

Hernandez, a candidate to win the Cy Young and Most Valuable Player awards, said before the game

By Thomas Boswell
Washington Post Service

DETROIT — Alan Trammell hit a pair of long two-run homers into the left-field stands in Tiger Stadium Saturday to drive home all four runs in leading the Detroit Tigers in a 4-2 victory over the San Diego Padres in the fourth game of the 81st World Series.

The triumph put Detroit on the brink of its first world title since 1968 as the Tigers held a three-games-to-one lead. The Padres were counting on Mark Thur-

GAME 3

that his chances of returning in the Tigers next season were "50-50" because of a contract dispute.

He later enhanced his case by pitching 2½ shutout innings in relief of Milt Wilcox on a night on which the Tigers won despite bashing 14 runners.

A crowd of 51,970 saw the local team blow repeated chances to make it a slaughter while gifted with 11 walks, one hit batsman and one wild pitch.

The Tigers won it on a four-run second inning in which Marty Castillo hit a two-run homer and Alan Trammell ripped an RBI double.

If the Tigers were happy to return to the soft turf of their home field, they were happier yet in face another of San Diego's soft-touch starting pitchers.

This time it was the southpaw Tim Lollar setting the pattern as he combined with Greg Booker and Greg Harris to throw 172 pitches (81 of which were balls) and prove conclusively that it is possible to walk after dark in Detroit.

The 11 walks tied a World Series record set by the New York Yankees against the Brooklyn Dodgers on Oct. 5, 1956, and tied by the Milwaukee Braves against the Yankees a year to the day later.

Lollar, who was 11-13 during the season, pitched only 1½ innings in this game, giving up four walks, four hits and four runs.

Booker issued four walks, and Harris, who allowed eight runs in two innings of the opening playoff game, walked three over the final 5½ innings.

Lollar had one out in the second when Lemon singled and two out when Castillo homered into the upper deck in left. A man who hit only four homers in 141 regular-season at-bats, Castillo said, "I don't really have home-run power, but when a pitcher throws you a belt-high fastball over the middle of the plate, you should hit it out."

Lollar then walked Lou Whitaker, yielded the RBI double to Trammell, walked Gibson and allowed an infield hit by Lance Parrish. He was replaced by Booker, who walked Larry Herndon to force in the inning's fourth run.

Singles by Alan Wiggins and Tony Gwynn helped San Diego retrieve a run in the third, but three walks by Booker led to another Tiger run in the home half.

Each Detroit inning seemed like a season unto itself and had a stiffening effect on Wilcox, who is known as the Count of Cortisone because of the many injections he required to ease an arthritic shoulder. He gave up seven hits while allowing one run in six innings. Bill Schermer came on in the seventh and gave up a one-out single to Gwynn, a double to Steve Garvey and a sacrifice fly to Craig Nettles.

It was 5-2 with two out and a runner on third when Anderson summoned Hernandez, who converted 32 of 33 save opportunities during the regular season. He saved this one by allowing one hit over 2½ innings.

Lemon got an assist when he turned left, turned right and made a reaching catch of an over-the-head drive by Terry Kennedy, the first batter Hernandez faced.

GAME 4

mond, their run-of-the-mill lefty, in pitch the fifth game Sunday against Dan Petry, an 18-game winner.

The Tiger who shared heroic billing with Trammell on this smoky, cool autumn day was Jack Morris, who allowed only five hits for his second complete-game victory of this classic.

If the general tone of this World Series has been slapstick, then two men have stood way above the comic fray: Trammell, who had three hits in this game to give him nine for the Series, and Morris, who has allowed only four runs in 18 innings.

This was, in fact, a three-swing game. Trammell struck twice, in the first and third innings — both times with Lou Whitaker on base. The only Padre moment worth a memory was an upper-deck second-inning line-drive homer by Terry Kennedy. The Padres added a meaningless run in the ninth on a double by Steve Garvey, a ground out and a wild pitch.

Once again, as has been the case in every World Series game, the San Diego starting pitcher was abominable. Eric Show lasted only 2½ innings, giving up five hits and both of Trammell's blasts. The Tigers have greeted the Padres' four-man rotation in this classic with 14 runs in just 10 innings and have knocked out San Diego pitchers in the first, second and third innings in the last three games.

The Padres' bullpen, however, has been excellent beyond belief. On Saturday, Dave Dravecky entered in the third inning and slammed the shutout door for 3½ innings while Craig Lefferts and Goose Gosage each worked a shutout frame. The trio of Dravecky, Andy Hawkins and Lefferts now has the amazing mark of 26½ scoreless innings in the postseason.

Only four teams in baseball history have come back from 3-to-1 deficits, the most recent being the 1979 Pittsburgh Pirates. Certainly the Padres, the way they have played in this old World War I-style park, do not look much like comeback material.

Perhaps the only Padre showing life was its crusty manager, Dick Williams. Asked how he would rate odds of winning this Series, he snapped, "Probably a lot higher than you would. . . I don't have in my word in my ballclub. They know what to do. They've won three in a row before."

The Tigers are fortunate to have Trammell and Morris. Aside from Trammell, who is batting .563 and almost has a lock on the World Series Most Valuable Player award, the Tigers are hitting .182 as a team. Detroit has not scored a run yet after the fifth inning in this Series.

The Padres helped dig their own hole immediately when Alan Wiggins was charged with a tough and debatable error on the first Tiger offensive play of the game. Trammell stepped up, got the room-service fast ball down the middle that Padres starters seem ordered to throw in the first inning, and hammered it over the 340-foot sign in the left field corner.

"Wham bam, thank you, Tram," said the huge center-field scoreboard.



It's All Routine For Chet Lemon

Chet Lemon, the Tigers' All-Star centerfielder, keeps a low profile and often goes unnoticed. But not in Game 3 of the World Series, in which he was a star. He beat out a grounder to the shortstop by sliding into first base behind the Padres' Steve Garvey (above) and later made a spectacular run using catch on a ball hit by Terry Kennedy to end a Padre rally. "Anything not over the fence, Chester catches it," said teammate Alan Trammell. "I'm not surprised when he makes a great catch because he always makes them."



Dolphins Hand Oilers Their 7th Loss, 28-10

Compiled by Our Staff From Dispatches
MIAMI — Dan Marino threw three touchdown passes Sunday, and the unbeaten Miami Dolphins handed the Houston Oilers a 28-10 defeat, their seventh straight without a victory this season. It was also their 22nd consecutive loss on the road, a National Football League record.

The Dolphins improved their record to 7-0 on a 27-yard pass from

33 yards for the other Los Angeles score.

New Orleans (3-4) scored on a 47-yard field goal by Morten Andersen and a 1-yard run by Hokie Gajan.

Kemp completed only 8 of 19 passes for 143 yards but was able to find his wide receivers open behind the New Orleans defense — which entered the game as the best in the NFC against the pass.

NFL ROUNDUP

In Atlanta, Phil Simms threw for 247 yards and one touchdown and Rob Carpenter scored twice to lead the New York Giants to a 19-7 victory over Atlanta.

The Giants (4-3) jumped to a 16-0 halftime lead on a 1-yard touchdown drive by Carpenter. Simms' 9-yard touchdown pass to Carpenter and a 41-yard field goal by Ali Haji-Sheikh.

Los Angeles 13, Buccaneers 7

In Pontiac, Michigan, Gary Danielson threw a 37-yard touchdown pass to Leonard Thompson 4:34 into overtime to give Detroit a 13-7 victory over Tampa Bay.

Thompson's touchdown capped a 59-yard, four-play drive that began when Tampa Bay's James Wilder lost his second fumble of the game.

During the drive, Billy Sims ran for 8 yards to give him 100 yards in 16 carries for the game. He now has 5,003 career yards, just 11 behind the Lions' rushing mark held by Dexter Bussey.

Tampa Bay, which blew an opportunity to win when Obed Arias missed a 42-yard field-goal attempt as time ran out in regulation, won the toss and drove to the Detroit 39 before Wilder fumbled.

Patriots 20, Bengals 14

In Foxboro, Massachusetts, quarterback Tony Eason ran for two touchdowns to rally New England to a 20-14 victory over Cincinnati.

New England (5-2) trailed, 14-3, at the half, but Eason scored on runs of 13 and 25 yards as the Patriots took their third consecutive triumph.

Cardinals 38, Bears 21

In St. Louis, quarterback Neil Lomax scrambled for a 9-yard touchdown run and Earl Ferrell added another score late in the game in lead St. Louis to a 38-21 victory over Chicago.

The insurance touchdown by Lomax was set up when the rookie linebacker Niko Noyah blocked a punt by Chicago's Dave Finner 6:10 left in the game, giving the Cardinals the ball on the Chicago 11.

Chiefs 31, Chargers 13

In Kansas City, Missouri, Bill Kenney came off the bench in the second half to pass for 238 yards and two touchdowns to deliver Kansas City a 31-13 victory over San Diego.

Kenney, who passed for a club-record 4,348 yards en route to a Pro Bowl berth last season, broke the thumb on his passing hand in the final game of the 1984 preseason and sat out the first six games of the regular season.

He was summoned midway through the third quarter with the Chiefs clinging to a 13-10 lead and second-year quarterback Todd Blackledge struggling to move the team. Kenney completed 13 of 22 passes with scoring losses of 18 yards to Stephen Paige and 5 yards to Ed Beckman as the Chiefs improved their record to 4-3.

Jets 24, Browns 20

In Cleveland, Freeman McNeil, playing despite bruised ribs, ran for a pair of first-half touchdowns, and the rookie Tony Paige rammed into the end zone from 1 yard out for the game-winning score in the fourth quarter as the New York Jets won their fourth straight road game, 24-20 over Cleveland.

Paige, a sixth-round draft choice from Virginia Tech, scored his fourth touchdown of the year in cap an 80-yard Jets' drive with 5:39 to go in the game.

Cleveland (1-6), whose Ozzie Newsome set team records with 14 receptions for 191 yards, had taken the lead briefly at 20-17 when Matt Bahr kicked an 18-yard field goal two minutes into the fourth quarter.

But after Bahr missed a 31-yard try with 10 minutes to go, for a back Pat Ryan marched the Jets 80 yards in 12 plays, including 26-yard runs to Johnny Hector that took the ball to Cleveland's 8. Paige scored three plays later. (AP, UPI)

Texas, Aided by Officials' Rulings, Ties Oklahoma, 15-15, on Field Goal

Compiled by Our Staff From Dispatches

DALLAS — A 32-yard field goal by Jeff Ward, with no time showing on the clock at the end of a rainy, slippery, mistake-filled afternoon, tied the numbers on the scoreboard at 15. History will show that 79th Texas-Oklahoma game ended Saturday in the fourth tie of the series.

But on the field, where Longhorns leaped and Sooners sat sadly, and in the stands, where Texas people celebrated and the Oklahoma side howled in protest, the sentiments did not match the numbers.

The top-ranked Longhorns benefited from two penalties and a

10 and 33 yards and Washington took advantage of seven turnovers on rout Stanford, 37-15. The victory raised Washington's record to 6-0, and dropped Stanford's to 3-3. After Stanford opened the scoring with a 33-yard field goal by Mark Harmon, Washington took the lead for good when Milten threw a 10-yard TD pass to split end Mark Pattison.

Ohio St. 45, Illinois 38

In Columbus, Ohio, Keith Byars rushed for a school-record 274 yards and scored five touchdowns to bring Ohio State back from a 24-0 first-half deficit and beat Illinois, 45-38. Byars scored his fifth and deciding touchdown with 36 seconds left in the game, capping an 80-yard, 11-play drive. Byars' 274 yards broke the Ohio State single-game rushing record of 246 yards held by Archie Griffin, a two-time Heisman Trophy winner, and his five touchdowns equaled the Buckeye mark held by Pete Johnson.

Brigham Young 41, Wyoming 38

In Provo, Utah, quarterback Robbie Bosco threw for five touchdowns, including the game winner with 4:16 remaining, as Brigham Young edged Wyoming, 41-38. The homecoming victory kept alive the Cougars' nation-leading winning streak of 17 games and boosted their record to 6-0. Wyoming, which trailed the lead with Brigham Young throughout the second half, fell to 3-4.

Nebraska 33, Missouri 23

In Lincoln, Nebraska, Doug Dufosse rushed for 162 yards and one touchdown and Marc Munford ran

controversial decision that went against the Sooners, who had been ranked as high as No. 2 in the news agency polls. Texas scored twice in the final 2 minutes and 10 seconds to avoid the fourth defeat of a No. 1-ranked team this season.

Until the final moments, that defeat had seemed certain. The Sooners defense had snuffed the Longhorns on four straight plays after facing a first-and-goal situation from its 2-yard line, giving Oklahoma the ball with 3:51 to play. But a high snap on fourth down, over the head of the punter Mike Winchester, cut the Oklahoma lead to 15-12. The free kick that followed gave the Longhorns the ball at the Texas 44 with 2:04 to play.

Then a pass interference call against the Sooners helped the final drive get started after Todd Dodge's third-down pass for Brent Duhon had fallen incomplete. An offside penalty against the Sooners on third-and-10 from the Oklahoma 41 gave the Longhorns the ball at the 36, with just five yards needed for the first down.

Then, on Dodge's last pass of the afternoon, intended for Bill Boy Bryant in the right side of the end zone, the ball appeared to carom into the grasp of Keith Stanberry, a Sooner defensive back. But the pass was ruled incomplete with five seconds to play, and Ward's kick began the celebration on the Texas side of the stadium.

Just a few moments before, the Sooners had seemed sure of a victory when they took advantage of several Texas mistakes and set aside their deceptive option offense to keep the ball between the tackles for the second-half comeback that gave them the lead.

Oklahoma trailed, 10-0, at the half but rallied for a 15-10 lead after touchdown runs of 5 and 11 yards by Steve Sewell.

Washington 37, Stanford 15

In Stanford, California, Hugh Millen threw touchdown passes of

SCOREBOARD

Football

Selected U.S. College Football Results

East	West
Albany 28, Cornell 10	W. Virginia 26, Syracuse 18
Auburn 19, Colby 7	Willamette 22, Beaverton 10
Buffalo St. Coll. 12, Mercyhurst 10	Wisc. Tech 17, Fordham 14
Calif. (Pa.) 30, Saint Joseph 17	Yale 28, Dartmouth 18
Catholic 29, St. Francis 7	
Central 13, Marist 9	
Delaware 27, Colgate 20	
Harvard 24, Cornell 18	
Indiana 28, Colgate 20	
Marquette 25, Rochester 17	
North Carolina 24, Duke 14	
Ohio State 28, Miami 14	
Princeton 28, Columbia 8	
Rhode Island 30, Northeastern 22	
Richmond 34, Massachusetts 7	
St. Lawrence 28, Connecticut 13	
St. Mary 17, Litchfield 14	
New Hampshire 17, Bucknell 14	
Penn. State 24, Brown 14	
Pittsburgh 28, Wake Forest 14	
Rhode Island 30, Northeastern 22	
Richmond 34, Massachusetts 7	
St. Lawrence 28, Connecticut 13	
St. Mary 17, Litchfield 14	
New Hampshire 17, Bucknell 14	
Penn. State 24, Brown 14	
Pittsburgh 28, Wake Forest 14	

Transition

BASKETBALL	HOCKEY
MINNESOTA — Re-acquired Joe Senz, left end. Released Billy Woody, receiver. St. Louis — Signed Benny Rickard, left end.	MINNESOTA — Re-acquired Joe Senz, left end. Released Billy Woody, receiver. St. Louis — Signed Benny Rickard, left end.
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Hockey

NHL Standings

W	L	T	P	pts	GA
Philadelphia	1	0	0	2	4
New Jersey	1	0	0	2	4
N.Y. Islanders	1	0	0	2	4
Washington	1	0	0	2	4
Pittsburgh	0	2	0	0	4
Hartford	0	2	0	0	4
Buffalo	0	2	0	0	4
Montreal	0	2	0	0	4
Quebec	0	2	0	0	4

SATURDAY'S RESULTS

Philadelphia	W	L	T	P	pts	GA
Philadelphia	1	0	0	0	2	4
New Jersey	1	0	0	0	2	4
N.Y. Islanders	1	0	0	0	2	4
Washington	1	0	0	0	2	4
Pittsburgh	0	2	0	0	0	4
Hartford	0	2	0	0	0	4
Buffalo	0	2	0	0	0	4
Montreal	0	2	0	0	0	4
Quebec	0	2	0	0	0	4

Soccer

ENGLISH FIRST DIVISION	ITALIAN FIRST DIVISION
Chelsea 2, Watford 2	Atalanta 1, Cremonese 0
Everton 1, Newcastle 1	Averna 2, Ascoli 0
Manchester United 3, West Ham 1	Carrarese 2, Livorno 0
Sheff. Wed. 1, Southampton 1	Lazio 1, Napoli 1
Sheff. Wed. 1, Southampton 1	Verona 2, Juventus 0
Sheff. Wed. 1, Southampton 1	Verona 2, Juventus 0
Sheff. Wed. 1, Southampton 1	Verona 2, Juventus 0
Sheff. Wed. 1, Southampton 1	Verona 2, Juventus 0
Sheff. Wed. 1, Southampton 1	Verona 2, Juventus 0

Jarryd Upsets Lendl in Sydney Final

United Press International

SYDNEY — Anders Jarryd of Sweden registered the biggest victory of his career Sunday, routing the world's second-ranked player, Ivan Lendl, 6-3, 6-2, 6-4, to win the \$310,000 Australian Indoor Championship.

Jarryd, teamed with Hans Simonsson, a fellow Swede, also won the doubles title, defeating Mark Edmondson of Australia and Sherwood Stewart of the United States, 6-4, 6-4, in 66 minutes.

Jarryd, who is ranked sixth on the Association of Tennis Professionals computer, had been given little chance of defeating Lendl on the synthetic surface at the Sydney Entertainment Center.

But he put together a varied game of strong returns and changes of pace in beating Lendl for the first time in the five matches they have played.

Lendl had lost a set in his match to the final, and had overpowered his opponents with a first service that was good about 90 percent of the time.

But in the final Lendl's first serve deserted him, and Jarryd used the Czechoslovak's weaker second serve to hit deep, strong returns.

Jarryd also punished Lendl repeatedly with deep volleys and forehands along the lines.

Jarryd broke Lendl's serve four times and never lost his own.

Lendl's chance to stay in the match came when he had Jarryd down two break points in the sixth game of the first set, with the Swede leading, 3-2. Jarryd had broken Lendl's opening service game with a drop volley.

But Jarryd got out of trouble by serving an ace and then wrong-footing Lendl with a cross-court volley.

In the ninth game of the third set, Lendl double-faulted twice to give Jarryd a break. Jarryd then served out the match, winning when a forehand return by Lendl went wide.

Lendl reached the final Saturday with an easy 6-1, 6-1 victory over Eliot Teltscher of the United States. In the other semifinal, Jarryd struggled to get past Ben Testerman, also of the United States, 2-6, 6-4, 7-6 (7-3).

Jarryd made \$49,050 from the tournament, while Lendl got \$24,525.

"That is the best match I have ever played and now I feel I can make the Swedish Davis Cup Team for the final in December," Jarryd said. "I thought before the match if I could take one set, I would be happy, but I thought I served and volleyed very well and I played my best."

